

# CITY OF LOUISVILLE, COLORADO



## COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2013



# **Comprehensive Annual Financial Report**

**For the Year Ended December 31, 2013**

PREPARED BY:  
Department of Finance  
Kevin C. Watson, Director of Finance  
Graham Clark, Accounting Manager

**City of Louisville, Colorado**  
**Comprehensive Annual Financial Report**  
**For the Year Ended December 31, 2013**  
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June 10, 2014

Citizens, Mayor Muckle, Members of the City Council:

We submit to you the Comprehensive Annual Financial Report (CAFR) of the City of Louisville for the fiscal year ended December 31, 2013. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data reflects accurately in all material respects and is reported in a manner that presents fairly the financial position and results of operations of the various funds of the City. We have also included all disclosures necessary to enable the reader to gain an understanding of the City's financial activities. We also suggest that readers of this document review the Management's Discussion and Analysis section for a more detailed discussion on the financial information.

This report includes all funds of the City. In addition, the Urban Revitalization District meets established criteria for inclusion in the reporting entity and, therefore, is also included within this report.

### **ECONOMIC CONDITION AND OUTLOOK**

The City of Louisville has often been recognized for its livability. Most recently, Money magazine named Louisville No. 1 in its 2009 "Best Place to Live" issue, and then in an unprecedented action *again* named Louisville No. 1 in its 2011 "Best Place to Live" issue. In 2013 Louisville slipped ever so slightly in the Money magazine rankings and landed in the No. 2 slot. Many things contribute to this exemplary quality of life and positive economic condition. Among other things, we have beautiful open spaces and parks around and throughout the City, dozens of great eateries, a thriving arts scene, great neighborhoods, among the best schools in the State, numerous job opportunities with employers such as Sierra Nevada, which is designing and constructing the next space shuttle here, Pearl Izumi, which has its world headquarters here, and other employers expanding or moving here. As the first Money article noted, "Add in dry, clear weather, little crime, good health care, low taxes, and Louisville is pretty tough to beat."

Louisville is located in the Denver metropolitan region, approximately 6 miles east of the City of Boulder and 25 miles northwest of Denver. Louisville has an incorporated area of approximately 7.9 square miles and a population of approximately 19,000. The City's residential growth peaked in 1992 and has since slowed significantly as the City nears the target population of about 23,000 that is reflected in the City's Comprehensive Plan.



There is significant activity on the commercial land available in Louisville as the City is strongly influenced by the U.S. Highway 36 corridor from Denver to Boulder, proximity to nearby national laboratories and universities, easy access to Denver International Airport, and numerous world-class recreational and cultural opportunities.

### **MAJOR INITIATIVES IN 2013**

The City of Louisville Home Rule Charter suggests that the City's mission is to provide basic municipal services in an efficient and cost-effective manner and maintain the qualities that make Louisville unique by protecting and enhancing the City's natural, cultural, and recreational resources, and preserving the City's scenic, historic, and aesthetic features through open and ethical government in which every member of the community has an opportunity to participate. Consistent with this mission, City leaders and staff accomplished the following during 2013:

- Created an Arts and Special Events Position and adopted an Arts Center Use Policy
- Analyzed the City's outstanding water and wastewater bonds and completed a refunding bond issuance that reduced the City's future interest expense on the bonds by over \$550,000
- Updated the City's Building Code to make it consistent with the latest version of the International Building Codes
- Completed major renovations of City Hall to improve customer service and provide adequate space for staff
- Updated the City's Comprehensive Plan
- Effectively responded to the unprecedented flooding which in turn required major reconstruction of bridges, water utility infrastructure, trails and major reconstruction of the City's golf course
- Adopted the Highway 42 Gateway Plan for infrastructure improvements on the City's east side
- Adopted an Information Technology Strategic Plan and created a new Information Technology Department
- Adopted regulations allowing existing medical marijuana dispensaries to transition to retail marijuana outlets under the State's new laws
- Designed, constructed and installed new patios on Main Street
- Started construction of the McCaslin/Washington underpass and parking areas
- Conducted a Downtown Parking Utilization Study
- Entered into a contract for the sale of the historic Louisville Grain Elevator with provisions that will ensure that it is properly restored, preserved and put into effective reuse

## PROJECTS PLANNED IN 2014

The City reviews and publishes its Five-Year Capital Improvements Plan on an annual basis. Planned City projects for 2014 amount to nearly \$34 million and include:

Project Description	Source of Funds	2014 Estimate
City Services Facility	Various Funds	5,350,000
Golf Course Reconstruction	Capital Project Funds (and FEMA)	5,085,000
Sludge Treatment/Handling	Water Utility Fund	3,228,000
South Street Underpass	Capital Projects & Storm Water	2,743,250
First Baptist Church Property Acq	Capital Projects Fund	1,270,000
Street Reconstruction Program	Capital Projects Fund	1,250,000
3MG Water Tank	Water Utility Fund	1,236,000
McCaslin/US36 Interchange (DDI)	Capital Projects Fund	1,172,730
Golf Course Equipment	Capital Project Fund	750,000
Core Area Utility	Various	750,000
Wastewater Plant Upgrade - Design	Wastewater Utility Fund	771,700
Coal Creek Trail Reconstruction	Capital Project Funds (and FEMA)	600,000
SH42/Short Crossing Improvements	Capital Project Fund	500,000

## FINANCIAL INFORMATION

City management is responsible for establishing and maintaining internal controls that are designed to ensure that the assets of the City are protected from loss, theft or misuse. Also, management ensures that financial statements are prepared in conformity with generally accepted accounting principles through the compilation of adequate accounting data. Internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

**Budgetary Controls.** The City maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Council. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level. The City also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts do not lapse at year-end and are generally re-appropriated the following year.

As demonstrated by the statements and schedules included in the financial section of the report, the City continues to meet its responsibility for sound financial management.

## OTHER INFORMATION

**Independent Audit.** State statutes require an annual audit by independent certified public accountants. The accounting firm of Eide Bailly LLP was retained by City Council for this purpose. The auditors' report on the Basic Financial Statements is included in the financial section of this report.

**Awards.** The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Louisville for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2012. This was the twenty-third consecutive year the City of Louisville has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

In addition, the City of Louisville also received the GFOA's Award for Distinguished Budget Presentation for the 2013 fiscal year. This was the twenty-fourth consecutive year the City of Louisville has received this award. In order to qualify for the Distinguished Budget Presentation Award, the City's budget document was judged to be proficient as a policy document, financial plan, operations guide, and communications device.

**Acknowledgments.** The preparation of this report would not have been possible without the efficient and dedicated efforts of the entire City staff. We especially thank all members of the City's Finance Department for their exceptional efforts and the staff of Eide Bailly LLP for the professional manner in which they have accomplished our audit and their assistance in the publication of the City's Comprehensive Annual Financial Report. We thank the Mayor and City Council for their effective fiscal and policy direction and their support in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully Submitted,

*Malcolm Fleming*

Malcolm Fleming  
City Manager

*Kevin C. Watson*

Kevin C. Watson  
Director of Finance



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

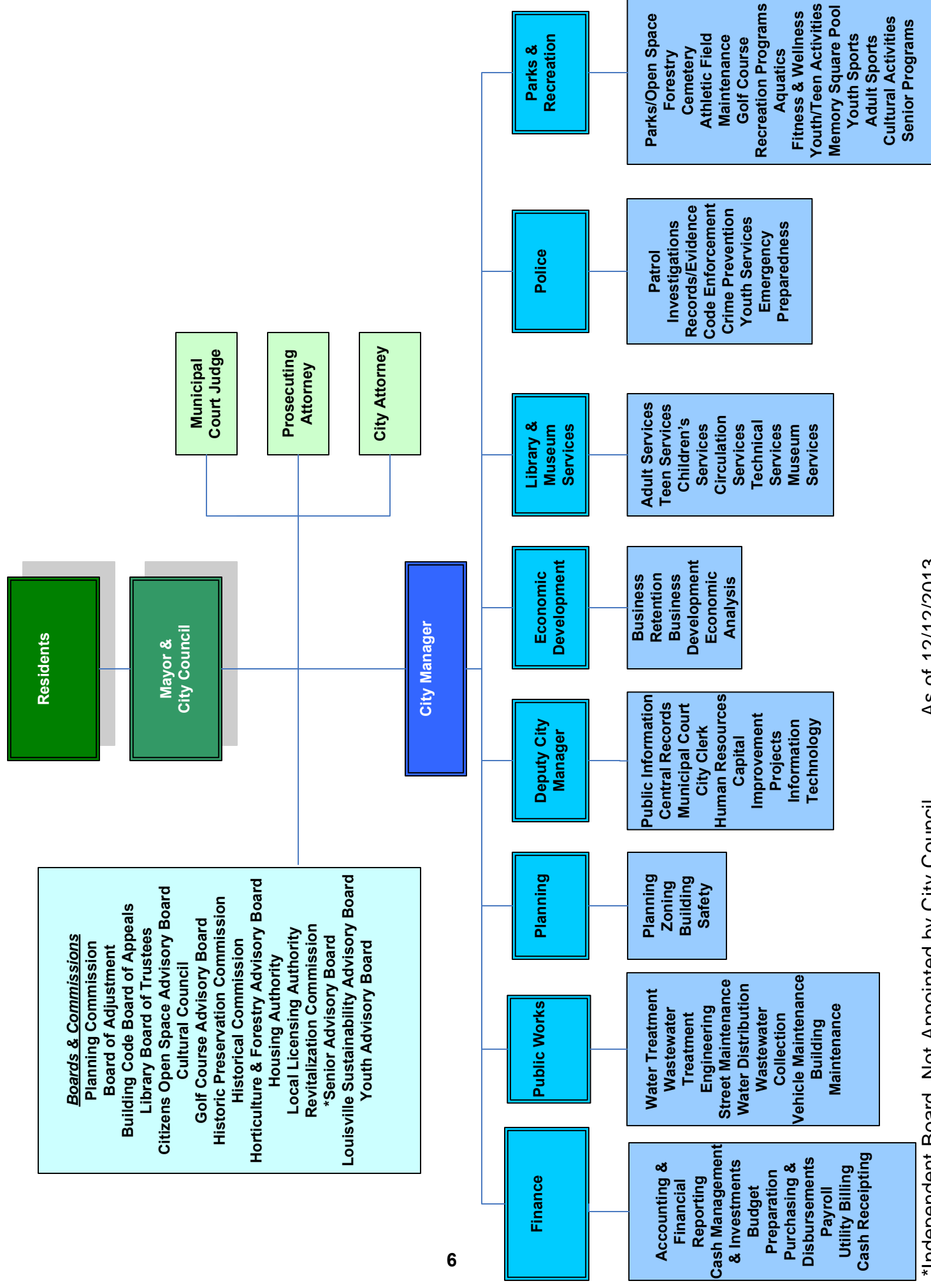
**City of Louisville  
Colorado**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2012**

Executive Director/CEO

# City of Louisville Organizational Chart



**City of Louisville, Colorado  
Directory of City Officials  
December 31, 2013**

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**Mayor**

Robert P. Muckle

**City Council**

Ward I.....Jay Keany, Jayme Moss  
Ward II.....Jeff Lipton, Susan Loo  
Ward III.....Hank Dalton, Ashley Stolzmann

**Appointed Officials**

City Manager..... Malcolm Fleming  
Deputy City Manager..... Heather Balser  
City Attorney..... Samuel Light  
City Clerk..... Nancy Varra  
Municipal Judge ..... W. Bruce Joss  
Prosecuting Attorney ..... K. Colette Cribari

**Department Directors**

Director of Finance..... Kevin Watson  
Director of Library Services ..... Beth Barrett  
Director of Parks and Recreation ..... Joe Stevens  
Director of Planning..... Troy Russ  
Director of Public Works..... Kurt Kowar  
Chief of Police ..... Dave Hayes



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## **Independent Auditor's Report**

To the Honorable Mayor and Members of the City Council  
City of Louisville  
Louisville, Colorado

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Louisville, Colorado as of and for the year ended December 31, 2013, which collectively comprise the City's basic financial statements as listed in the table of contents, and the related notes to the financial statements.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Louisville, Colorado, as of December 31, 2013, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.



## Other Matters

### *Comparative Statements*

The prior year summarized comparative information has been derived from the City's 2012 financial statements, and in our report dated May 22, 2013, we expressed an unmodified opinion on those statements.

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 11 to 21 and the budgetary comparison information on pages 64 to 66 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquires, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Louisville, Colorado's financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements and schedules, statistical section and local highway finance report are presented for purposes of additional analysis and are not a required part of the financial statements.

The combining and individual nonmajor fund financial statements and schedules and the local highway finance report are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.



Golden, Colorado  
June 10, 2014

## Management's Discussion and Analysis

This section of City of Louisville, Colorado's annual financial report presents the discussion and analysis of the City's financial performance during the fiscal year that ended on December 31, 2013. City staff encourages readers to consider the information presented here in conjunction with the transmittal letter at the front of this report and the financial statements, which follow this section.

### Financial Highlights

- The City's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$202.5 million (net position). Of this amount, \$28.3 million (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- The City's total net position increased by \$7.4 million, or 3.8%.
- During the year, the City's revenue from taxes and other revenues for governmental programs exceeded the expenses by \$3.9 million. This is a decrease of \$0.5 million from the prior year.
- In the City's business-type activities, net position increased by \$3.5 million.
- The City's total long-term debt, excluding compensated absences payable, decreased by \$1.8 million.
- At the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$24.1 million, an increase of \$0.4 million from the previous year. Of this amount, \$5.6 million (23%) is deemed unassigned fund balance, \$1.0 million (4%) is committed, \$17.0 million (70%) is restricted, and \$0.5 million (2%) is non-spendable.

### Overview of the Financial Statements

This annual report consists of four parts – *management's discussion and analysis* (this section), *basic financial statements*, *required supplementary information*, and a section that presents *combining statements* for non-major governmental funds and internal service funds. The report also presents budgetary comparison statements.

The basic financial statements include two kinds of statements that present different views of the City:

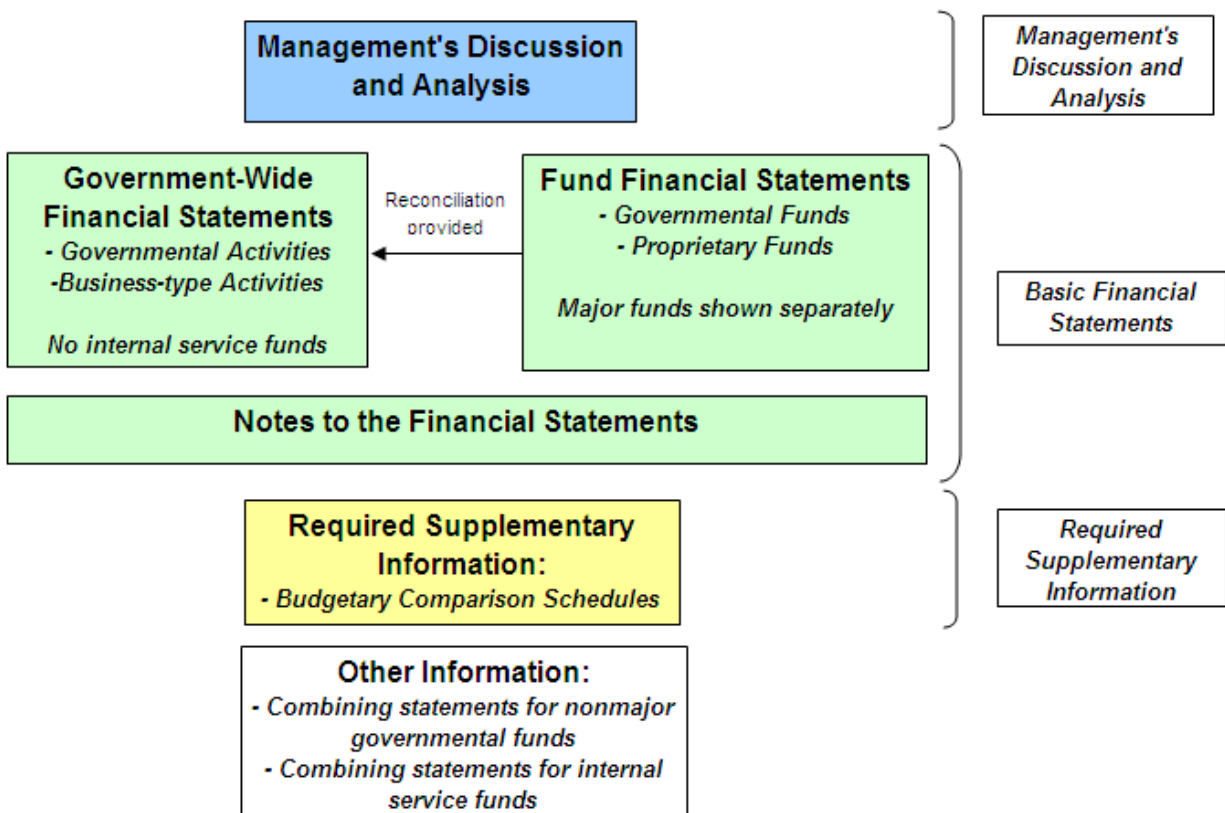
- The first two statements are *government-wide financial statements* that provide both *long-term* and *short-term* information about the City's *overall* financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the City government, reporting the City's operations in *more detail* than the government-wide statements.
  - The governmental fund statements tell how general government services were financed in the short term as well as what remains for future spending.

- Proprietary fund statements offer short-term and long-term financial information about the activities the government operates like businesses, such as utilities.

The basic financial statements also include *Notes to the Financial Statements* that explain some of the information in the financial statements and provide more detailed data. The basic financial statements are followed by a section of *required supplementary information* that further explains and supports the information in the financial statements. Figure 1 shows how the individual sections of this annual report are arranged and related to one another.

Figure 2 summarizes the major features of the City's financial statements, including the portion of the City government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

**Figure 1**



**Figure 2**

		-----Fund Statements-----	
	<b>Government-wide Statements</b>	<b>Governmental Funds</b>	<b>Proprietary Funds</b>
<b>Scope</b>	Entire City government	The activities of the City that are not proprietary, such as police, public works, and parks and recreation	Activities the City operates similar to private businesses: The utilities and the golf course
<b>Required financial statements</b>	<ul style="list-style-type: none"> <li>▪ Statement of net position</li> <li>▪ Statement of activities</li> </ul>	<ul style="list-style-type: none"> <li>▪ Balance sheet</li> <li>▪ Statement of revenues, expenditures, and changes in fund balances</li> </ul>	<ul style="list-style-type: none"> <li>▪ Statement of net position</li> <li>▪ Statement of revenues, expenses, and changes in net position</li> <li>▪ Statement of cash flows</li> </ul>
<b>Accounting basis and measurement focus</b>	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
<b>Type of asset/liability information</b>	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term
<b>Type of inflow/outflow information</b>	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during year, regardless of when cash is received or paid

### **Government-wide Statements**

The government-wide statements report information about the City as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes *all* of the City's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in the City's net position are an indicator of whether its financial health is improving or deteriorating, respectively. To assess the overall health of the City, additional nonfinancial factors need to be considered, such as changes in the City's tax base and the condition of the City's infrastructure.

The government-wide financial statements of the City are divided into two categories:

*Governmental activities* – Most of the City's basic services are included here, such as the public safety, public works, parks and recreation, library services, and general administrative services. Sales and use taxes, property taxes, other taxes, charges for services, and intergovernmental revenue finance most of these activities.

*Business-type activities* – The City charges user fees to customers to recover most of the costs of providing certain services. The City's water, wastewater, storm water, and solid waste utilities, as well as golf facilities, are included here.

## **Fund Financial Statements**

The fund financial statements provide more detailed information about the City's most significant *funds* – not the City as a whole. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Some funds are required by State law and by bond covenants. Other funds are established by the City Council to control and manage money for particular purposes or to show that it is properly using certain taxes and grants.

All of the funds currently used by the City can be divided into two categories: governmental funds and proprietary funds:

- *Governmental funds* – Most of the City's basic services are included in governmental funds, which focus on (1) how *cash and other financial assets* can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed *short-term* view that helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, that explains the relationship (or differences) between them.
- *Proprietary funds* – Services for which the City charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both long-term and short-term financial information.
  - The City uses *enterprise funds* (one type of proprietary fund) to report its business-type activities and provide more detailed and additional information, such as cash flows.
  - The City uses *internal service funds* (the other type of proprietary fund) to report activities that provide services and asset replacement for the City's other programs and activities – such as the City's Fleet Management Fund. These funds are reported with governmental activities in the government-wide financial statements.

## Government-Wide Financial Analysis

### Net Position

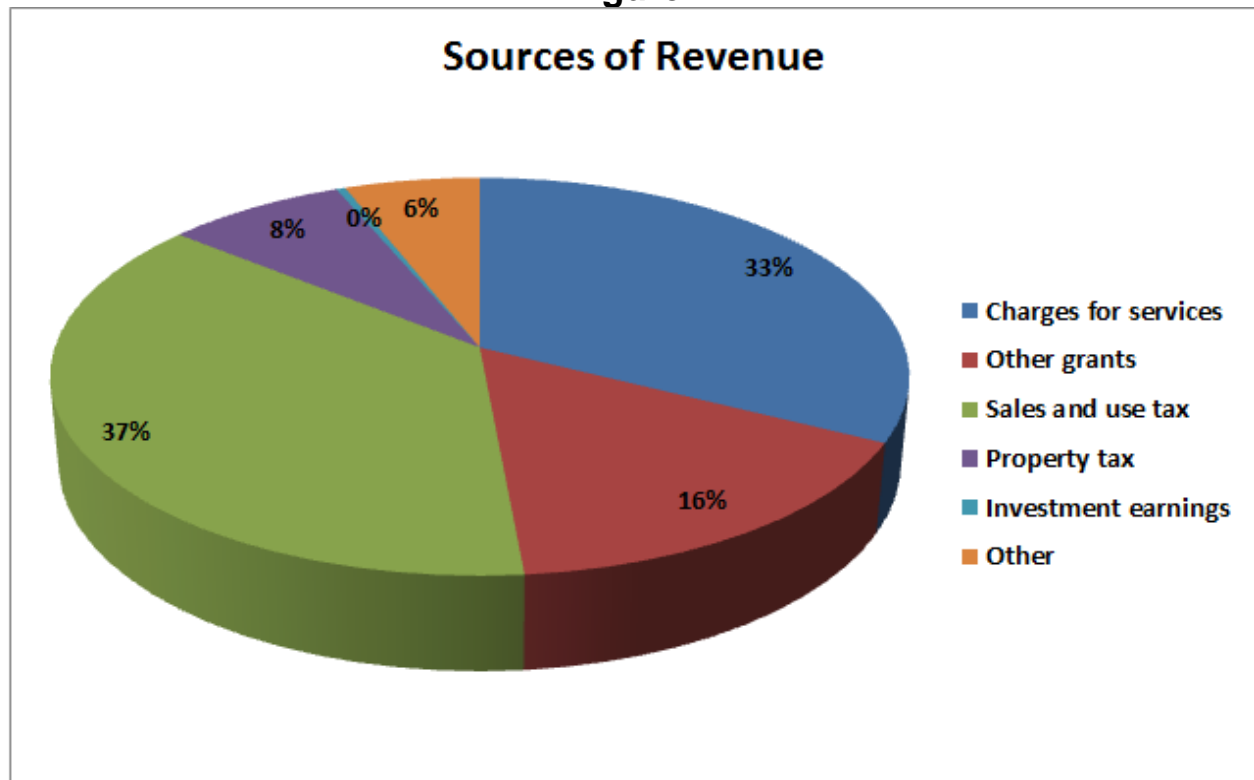
As of December 31, 2013, the City's assets and deferred outflow of resources exceeded its liabilities and deferred inflow of resources by \$202.5 million (Figure 3). This amounts to an increase in combined net position of \$7.4 million, or 3.8%, from 2012 to 2013. The largest portion of the City's net assets (77%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**Figure 3**  
Schedule of Net Position  
(millions)

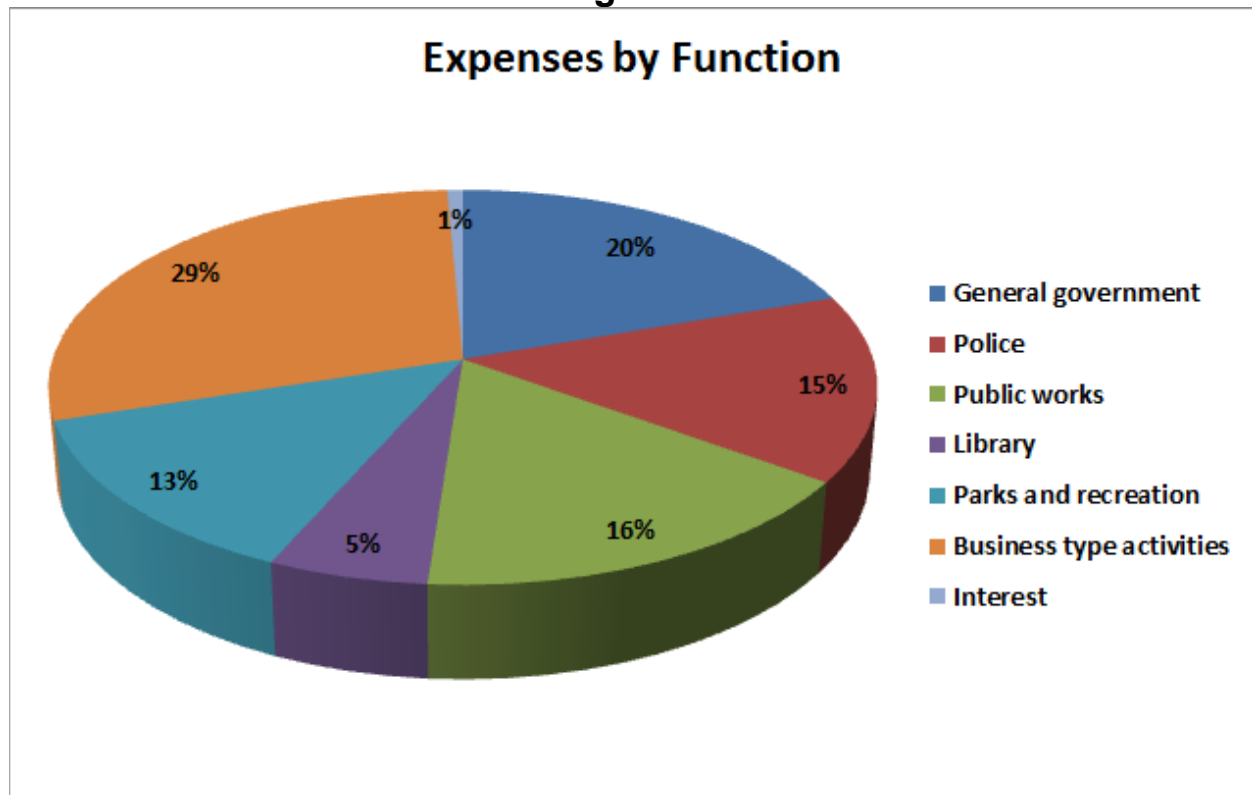
	Governmental Activities		Business-type Activities		Total		Total % Of Change
	2013	2012	2013	2012	2013	2012	
Current & Other Assets	\$ 31.2	\$ 30.2	\$ 21.9	\$ 18.4	\$ 53.1	\$ 48.6	9.3%
Capital Assets - Net	94.7	92.4	74.4	74.9	169.1	167.3	1.1%
Total Assets	125.9	122.6	96.3	93.3	222.2	215.9	2.9%
Total Deferred Outflows of Resources	-	-	-	0.1	-	0.1	-100.0%
	-	-	-	0.1	-	0.1	-100.0%
Long-Term Debt Outstanding	4.7	6.0	8.8	9.3	13.5	15.3	-11.8%
Other Liabilities	2.1	1.6	0.9	1.0	3.0	2.6	15.4%
Total Liabilities	6.8	7.6	9.7	10.3	16.5	17.9	-7.8%
Total Deferred Inflows of Resources	3.2	3.0	-	-	3.2	3.0	6.7%
	3.2	3.0	-	-	3.2	3.0	6.7%
<b>Net Position:</b>							
Net Investment in Capital Assets	90.9	87.3	65.8	65.7	156.7	153.0	2.4%
Restricted	17.4	19.0	0.1	1.4	17.5	20.4	-14.2%
Unrestricted	7.6	5.7	20.7	16.0	28.3	21.7	30.4%
Total Net Position	\$ 115.9	\$ 112.0	\$ 86.6	\$ 83.1	\$ 202.5	\$ 195.1	3.8%

Charges for services are the City's largest revenue source and account for 33% of all revenues (Figure 4). Charges for services are also the main funding source for the City's business-type activities. Sales and use tax, the main funding source for the City's governmental activities, account for 37% of all revenues. The City's largest expenses come from business activities (Figure 5).

**Figure 4**



**Figure 5**



## Changes in Net Assets

Governmental activities increased the City's net position by \$3.9 million during 2013. Business-type activities increased the City's net position by \$3.5 million during 2013.

**Figure 6**  
**Schedule of Changes in Net Position**  
(millions)

	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Total</b>	
	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>
<b>Revenues:</b>						
<b>Program Revenues:</b>						
Charges for Services	\$ 4.1	\$ 4.0	\$ 8.3	\$ 9.0	\$ 12.4	\$ 13.0
Operating Grants & Contributions	1.1	1.0	-	-	1.1	1.0
Capital Grants & Contributions	0.2	1.2	4.8	4.2	5.0	5.4
<b>General Revenues:</b>						
Sales & Use Taxes	14.2	12.7	-	-	14.2	12.7
Property Taxes	3.0	3.0	-	-	3.0	3.0
Investment Earnings	0.1	0.1	0.1	0.1	0.2	0.2
Other	2.1	2.0	0.2	-	2.3	2.0
<b>Total Revenues</b>	<b>24.8</b>	<b>24.0</b>	<b>13.3</b>	<b>13.3</b>	<b>38.1</b>	<b>37.3</b>
<b>Expenses:</b>						
General Government	4.3	4.0	-	-	4.3	4.0
Finance	0.4	0.6	-	-	0.4	0.6
Police	4.4	4.3	-	-	4.4	4.3
Public Works	4.7	4.4	-	-	4.7	4.4
Planning	1.0	1.0	-	-	1.0	1.0
Library	1.6	1.5	-	-	1.6	1.5
Parks & Recreations	3.7	3.6	-	-	3.7	3.6
Interest on Long-Term Debt	0.2	0.2	-	-	0.2	0.2
Water, Wastewater, & Stormwater	-	-	7.1	6.0	7.1	6.0
Golf	-	-	0.1	0.1	0.1	0.1
Solid Waste & Recycling	-	-	1.2	1.2	1.2	1.2
<b>Total Expenses</b>	<b>20.3</b>	<b>19.6</b>	<b>8.4</b>	<b>7.3</b>	<b>28.7</b>	<b>26.9</b>
<b>Increase (decrease) in net position before transfers and extraordinary items</b>	<b>4.5</b>	<b>4.4</b>	<b>4.9</b>	<b>6.0</b>	<b>9.4</b>	<b>10.4</b>
<b>Transfers</b>	<b>(0.4)</b>	<b>-</b>	<b>0.4</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Extraordinary Items</b>	<b>(0.2)</b>	<b>-</b>	<b>(1.8)</b>	<b>-</b>	<b>(2.0)</b>	<b>-</b>
<b>Increase (decrease) in net position</b>	<b>\$ 3.9</b>	<b>\$ 4.4</b>	<b>\$ 3.5</b>	<b>\$ 6.0</b>	<b>\$ 7.4</b>	<b>\$ 10.4</b>



## **Financial Analysis of Funds**

As the City completed the year, its governmental funds reported a *combined* fund balance of \$24.1 million, an increase of \$420,000 (1.8%) from last year. Some items to be noted, within various funds are:

- The General Fund balance increased by \$2.2 million, or 52%, during 2013. This was mainly due to higher than anticipated receipts of sales tax revenue, use tax revenue, and building-related revenue, such as construction permits. Total General Fund revenue exceeded budget by 11%. In addition, total General Fund expenditures came in at 4% under budget.
- As anticipated, the Open Space & Parks Fund balance declined by approximately \$560,000, but remained at over \$7.3 million. The decline was mainly due to nearly \$1.7 million in capital outlay. Fund revenue exceeded budget by \$292,000 (15%) and fund expenditures were under-budget by \$1.7 million (38%) because of unfinished capital projects.
- As anticipated, the Capital Projects Fund balance declined by approximately \$918,000. Fund revenue exceeded budget by nearly \$600,000 (13%), mainly due to unanticipated building use tax. Total expenditures were under-budget by \$3.1 million (34%) because of delayed capital projects. Expenditures for capital projects totaled \$5.5 million for the property acquisition, general capital, street improvements, and parks and recreation improvements.

## **General Fund Budgetary Highlights**

For 2013, General Fund revenue exceeded budget by \$1.7 million (11%). This was primarily due to positive budget variances in sales tax revenue (\$212,000) consumer use tax revenue (\$382,000), construction permit revenue (\$350,000), and transfers from the Historic Preservation Fund (\$250,000). In addition, continued emphasis on cost-containment resulted in General Fund expenditures coming in at \$595,000 (4%) below budget.

## Capital Asset and Debt Administration

### Capital Assets

At the end of 2013, the City had invested \$256.0 million (Figure 7) in a broad range of capital assets, including land, water rights, streets, and utility infrastructure. Net of accumulated depreciation, the City's capital assets total \$169.1 million. More detailed information on capital asset activity can be found in the notes to the financial statements, Note 7: Capital assets.

**Figure 7**  
**Net Change in Capital Assets**  
(millions)

	Governmental Activities		Business-type Activities		Total		Total % Of Change
	2013	2012	2013	2012	2013	2012	
Land, Easements, & CIP	\$ 34.6	\$ 32.7	\$ 4.7	\$ 5.4	\$ 39.3	\$ 38.1	3.1%
Water Rights	-	-	31.4	31.3	31.4	31.3	0.3%
Buildings	23.4	23.2	1.2	1.1	24.6	24.3	1.2%
Infrastructure	86.1	83.0	64.9	63.8	151.0	146.8	2.9%
Machinery & Equipment	6.7	6.2	3.0	3.3	9.7	9.5	2.1%
<b>Total</b>	<b>\$ 150.8</b>	<b>\$ 145.1</b>	<b>\$ 105.2</b>	<b>\$ 104.9</b>	<b>\$ 256.0</b>	<b>\$ 250.0</b>	<b>2.4%</b>

### Long-term Debt

On December 31, 2013, the remaining bonds from the 2003 Sales Tax Refunding Revenue bond issue matured. This debt was completely paid in 2013 and no debt service requirements remain.

On September 13, 2013, the 2003 Series Colorado Water Resources and Power Development Authority Water Resources Revenue loan was refinanced and defeased with the issuance of \$8,355,000 of 2013 Water & Wastewater Enterprise Revenue Refunding Bonds.

**Figure 8**  
**Net Change in Long-Term Debt**  
(millions)

	Governmental Activities		Business-type Activities		Total		Total % Of Change
	2013	2012	2013	2012	2013	2012	
General Obligation Bonds	\$ 3.8	\$ 4.7	\$ -	\$ -	\$ 3.8	\$ 4.7	-18.9%
Revenue Bonds & Notes	-	0.4	8.4	8.9	8.4	9.3	-9.7%
<b>Total</b>	<b>\$ 3.8</b>	<b>\$ 5.1</b>	<b>\$ 8.4</b>	<b>\$ 8.9</b>	<b>\$ 12.2</b>	<b>\$ 14.0</b>	<b>-12.8%</b>

Additional information on the City's long-term debt is provided in Note 8 to the financial statements.

### **Bond Ratings**

The 2004 Library Limited Tax General Obligation Library Bonds were issued with an insured rating (MBIA) from Standard & Poor's of AAA and an underlying rating of AA-. In early 2011, Standard & Poor's increased the underlying rating to AA. In early 2014, Standard & Poor's again increased the underlying rating one notch to AA+

### **Limitations on Debt**

The state limits the amount of general obligation debt the City can issue to 3 percent of the actual value of all taxable property within the City's corporate limits. The current debt limit is \$103.1 million. In contrast, the City currently has only \$12.2 million in outstanding debt.

### **Economic Factors and Next Year's Budgets and Rates**

- After reaching over \$10.4 million in 2005, sales tax revenue declined by 12% in 2006, increased by 3.3% in 2007, and remained relatively steady through 2008. Due to the national and regional recessions, sales tax revenue for 2009, excluding the new Historical Preservation Sales Tax of 0.125%, declined by 7.0%. Due to the continued recession and the closing of Sam's Club and Safeway, sales tax revenue declined an additional 2.8% in 2010. However, since 2011, sales tax revenue has increased each year – 3.7% in 2011, 7.3% in 2012, and 7.2% in 2013. Staff projects it to increase at an average annual rate of approximately 3% for 2014 through 2018.
- After a flat year in 2010, the City experienced its first decline in assessed valuation in many years in 2011. Assessed valuation for 2011, which determined the property tax revenue for 2012, declined by 2.2% from 2010. The assessed valuation for 2012 increased by 1.3% over 2011. The assessed valuation for 2013 increased by 2.9% over 2012. Staff expects the assessed valuation for years 2014 through 2018 to increase at an average rate of 3.2% per year. The projected rate increase is partially due to the new development at Steel Ranch and North End and remodeling and redevelopment activity throughout the City.
- The City increased water, wastewater, and storm water utility rates by 6%, 4%, and 0%, respectively, effective January 1, 2013. The City then conducted a comprehensive utility system and rate study in late 2013 and early 2014. This study identified infrastructure replacements and improvements needed to enable the City's water, wastewater and storm water utilities to comply with new State and Federal regulations and to continue to provide safe and reliable water, and wastewater and storm water treatment. To fund these improvements, the City increased water, wastewater, and storm water utility rates on May 1, 2014 by 2%, 27%, and 30%, respectively. The study recommended additional increases by the same percentage to occur again on January 1, 2015. Staff projects the average annual increases from 2016 through 2018 at 2.3% for water, 8.0% for wastewater, and 16.7% for storm water.
- After increasing by 5.4% in 2012, total employee wages (including full-time, part-time, and overtime) increased by 3.1% in 2013. Staff projects an average annual increase of 4.6% from 2014 through 2018.

- Due to an overall reduction in health care benefits, total health care benefit costs declined in 2010. However, from 2011 through 2013 health care costs have increased an average of 7.1% per year. Total employee benefit costs (including FICA, retirement, health care, and workers compensation) increased by 8.7% in 2013 and staff projects they will continue to increase by approximately 5.5% per year from 2014 through 2018.

Staff and the City Council considered the above indicators when developing the budget for 2014. Total estimated expenditures for 2014, excluding interfund transfers, are currently \$51.1 million, which includes nearly \$34 million in capital improvements. This is an increase of \$9.7 million (23%) over 2013 actual expenditures, on a budgetary basis.

Due to the significant amount of capital improvements planned for 2014, City Council has approved transferring \$5 million of excess reserves from the General Fund to the Capital Projects Fund. The decline in General Fund balance for 2014 is currently projected at approximately \$3.4 million. This transfer is planned as a one-time event and General Fund reserves are projected to increase again in 2015.

### **Contact Information**

This financial report is designed to provide the citizens, taxpayers, customers, investors, and creditors of the City of Louisville a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to City of Louisville, Finance Department, 749 Main Street, Louisville, Colorado 80027, (303) 335-4500.



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## **Basic Financial Statements**



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**City of Louisville, Colorado**  
**Statement of Net Position**  
**December 31, 2013**  
**(With Comparative Totals for the Year Ended December 31, 2012)**

	Primary Government			Prior Year Total
	Governmental Activities	Business-type Activities	Total	
<b>Assets:</b>				
Pooled Cash and Investments	\$ 25,854,100	\$ 20,922,829	\$ 46,776,929	\$ 41,067,852
Restricted Cash	-	144,392	144,392	1,394,377
Receivables (net)				
Property Taxes	3,193,646	-	3,193,646	2,982,932
Sales and Use Taxes	1,648,267	-	1,648,267	1,637,970
Interest	12,245	9,923	22,168	74,616
Intergovernmental	119,401	195,671	315,072	704,345
Other	305,847	686,923	992,770	758,719
Inventories	26,500	-	26,500	28,867
Prepaid expenses	44,152	2,291	46,443	155,860
Capital assets:				
Non-depreciable capital assets	34,615,320	36,123,120	70,738,440	69,435,542
Other capital assets, net of depreciation	60,129,416	38,249,232	98,378,648	97,818,133
Total assets	<u>125,948,894</u>	<u>96,334,381</u>	<u>222,283,275</u>	<u>216,059,212</u>
<b>Deferred Outflows of Resources:</b>				
Loss on refunding	-	11,220	11,220	67,973
Total deferred outflows of resources	<u>-</u>	<u>11,220</u>	<u>11,220</u>	<u>67,973</u>
<b>Liabilities:</b>				
Accounts payable and accrued expenses	2,120,343	923,221	3,043,564	2,622,657
Noncurrent liabilities:				
Due within one year	456,356	703,758	1,160,114	1,561,362
Due in more than one year	4,245,309	8,083,978	12,329,287	13,785,553
Total liabilities	<u>6,822,008</u>	<u>9,710,957</u>	<u>16,532,965</u>	<u>17,969,572</u>
<b>Deferred Inflows of Resources:</b>				
Unavailable revenue - property taxes	3,193,646	-	3,193,646	2,982,932
Unavailable revenue - other	45,760	-	45,760	43,985
Total deferred inflows of resources	<u>3,239,406</u>	<u>-</u>	<u>3,239,406</u>	<u>3,026,917</u>
<b>Net position:</b>				
Net investment in capital assets	90,919,036	65,806,134	156,725,170	152,936,185
Restricted for:				
Emergency reserves (TABOR)	761,218	-	761,218	816,524
Debt service and operating reserves	-	144,392	144,392	1,394,377
Library debt service	696,968	-	696,968	1,083,534
Library construction	-	-	-	-
Conservation sites	7,841,829	-	7,841,829	8,250,539
Historic Preservation	1,783,276	-	1,783,276	1,707,439
Capital improvements	5,904,618	-	5,904,618	6,821,948
Permanently Restricted for:				
Permanent fund - perpetual care	424,221	-	424,221	397,021
Unrestricted	7,556,314	20,684,118	28,240,432	21,723,128
Total net position	<u>\$ 115,887,480</u>	<u>\$ 86,634,644</u>	<u>\$ 202,522,124</u>	<u>\$ 195,130,695</u>

The notes to the financial statements are an integral part of this statement.



**City of Louisville, Colorado**  
**Statement of Activities**  
**For the Year Ended December 31, 2013**  
**(With Comparative Totals for the Year Ended December 31, 2012)**

Functions / Programs	Expenses	Charges for Services
<b>Primary government:</b>		
Governmental activities:		
General government	\$ 4,314,413	\$ 214,871
Finance	359,659	-
Police	4,401,899	164,233
Public works	4,682,257	48,037
Planning	975,843	1,089,437
Library	1,577,901	129,121
Parks and recreation	3,861,451	2,479,965
Interest on long-term debt	200,664	-
Total governmental activities	<u>20,374,087</u>	<u>4,125,664</u>
Business-type activities:		
Water & Wastewater	7,094,607	7,026,998
Golf	102,384	96,057
Solid Waste & Recycling	1,215,817	1,179,859
Total business-type activities	<u>8,412,808</u>	<u>8,302,914</u>
<b>Total primary government</b>	<u>\$ 28,786,895</u>	<u>\$ 12,428,578</u>

The notes to the financial statements are an integral part of this statement.

**Exhibit 2**  
**(continued)**

Program Revenue		Net (Expense) Revenue and Changes in Net Position			
Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Prior Year Total
		Governmental Activities	Business-type Activities	Total	
\$ 103,912	\$ -	\$ (3,995,630)	\$ -	\$ (3,995,630)	\$ (3,779,430)
-	-	(359,659)	-	(359,659)	(601,538)
-	-	(4,237,666)	-	(4,237,666)	(4,071,684)
706,698	2,511	(3,925,011)	-	(3,925,011)	(2,628,906)
248,130	-	361,724	-	361,724	115,723
-	-	(1,448,780)	-	(1,448,780)	(1,373,149)
31,916	227,296	(1,122,274)	-	(1,122,274)	(798,962)
-	-	(200,664)	-	(200,664)	(225,414)
1,090,656	229,807	(14,927,960)	-	(14,927,960)	(13,363,359)
-	4,684,226	-	4,616,617	4,616,617	5,784,096
-	94,110	-	87,783	87,783	70,813
-	101	-	(35,857)	(35,857)	5,427
-	4,778,437	-	4,668,543	4,668,543	5,860,336
\$ 1,090,656	\$ 5,008,244	(14,927,960)	4,668,543	(10,259,417)	(7,503,023)
General revenue:					
Taxes:					
Property taxes		2,982,528	-	2,982,528	2,950,576
Sales tax		10,441,013	-	10,441,013	9,747,679
Use tax		3,808,835	-	3,808,835	3,012,454
Franchise tax		1,059,412	-	1,059,412	994,447
Other tax		640,578	-	640,578	558,755
Intergovernmental revenue		78,281	-	78,281	65,192
Investment earnings		83,472	67,613	151,085	252,640
Miscellaneous		310,051	151,050	461,101	329,811
Total general revenue		19,404,170	218,663	19,622,833	17,911,554
Extraordinary Loss (Note 6C)		(150,161)	(1,821,826)	(1,971,987)	-
Transfers		(434,038)	434,038	-	-
Total general revenue, extraordinary items, and transfers		18,819,971	(1,169,125)	17,650,846	17,911,554
Change in net position		3,892,011	3,499,418	7,391,429	10,408,531
Net position - beginning		111,995,469	83,135,226	195,130,695	184,722,164
Net position - ending		\$ 115,887,480	\$ 86,634,644	\$ 202,522,124	\$ 195,130,695

The notes to the financial statements are an integral part of this statement.

**City of Louisville  
Governmental Funds  
Balance Sheet  
December 31, 2013**

		Major Special Revenue Funds	Major Capital Project Funds		
	General	Conservation Trust - Open Space & Parks	Capital Projects	Other Governmental Funds	Total Governmental Funds
<b>Assets:</b>					
Pooled Cash and Investments	\$ 6,288,869	\$ 7,605,823	\$ 5,854,598	\$ 4,405,513	\$ 24,154,803
Receivables:					
Property taxes	2,318,619	-	-	875,027	3,193,646
Sales and use taxes	989,163	172,556	429,028	57,520	1,648,267
Other revenue	264,939	34,583	-	6,325	305,847
Interest	2,937	3,363	2,504	2,636	11,440
Intergovernmental	113,674	-	5,727	-	119,401
Inventories	26,500	-	-	-	26,500
Prepaid items	44,052	100	-	-	44,152
Total assets	<u>\$ 10,048,753</u>	<u>\$ 7,816,425</u>	<u>\$ 6,291,857</u>	<u>\$ 5,347,021</u>	<u>\$ 29,504,056</u>
<b>Liabilities:</b>					
Accounts payable	\$ 758,119	\$ 434,301	\$ 367,989	\$ 55,720	\$ 1,616,129
Accrued liabilities	435,926	42,055	19,840	6,186	504,007
Total liabilities	<u>1,194,045</u>	<u>476,356</u>	<u>387,829</u>	<u>61,906</u>	<u>2,120,136</u>
<b>Deferred Inflows of Resources:</b>					
Unavailable revenue - property taxes	2,318,619	-	-	875,027	3,193,646
Unavailable revenue - other	45,760	-	-	-	45,760
Total deferred inflows of resources	<u>2,364,379</u>	<u>-</u>	<u>-</u>	<u>875,027</u>	<u>3,239,406</u>
<b>Fund Balances:</b>					
Nonspendable:					
Inventories	26,500	-	-	-	26,500
Prepays	44,052	-	-	-	44,052
Cemetery care	-	-	-	424,221	424,221
Restricted for:					
Emergency reserves (TABOR)	761,218	-	-	-	761,218
Conservation sites	-	7,340,069	-	501,760	7,841,829
Takoda Metro District improvements	-	-	250,852	-	250,852
General capital improvements	-	-	5,653,176	-	5,653,176
URD Improvements	-	-	-	590	590
Historic preservation	-	-	-	1,783,276	1,783,276
Debt service	-	-	-	696,968	696,968
Committed to:					
Public access television capital	-	-	-	67,791	67,791
Public Parking Improvements	-	-	-	6,074	6,074
Development impact capital	-	-	-	844,545	844,545
Cemetery maintenance and capital	-	-	-	84,863	84,863
Assigned	61,239	-	-	-	61,239
Unassigned Fund Balance	5,597,320	-	-	-	5,597,320
Total fund balance	<u>6,490,329</u>	<u>7,340,069</u>	<u>5,904,028</u>	<u>4,410,088</u>	<u>24,144,514</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 10,048,753</u>	<u>\$ 7,816,425</u>	<u>\$ 6,291,857</u>	<u>\$ 5,347,021</u>	<u>\$ 29,504,056</u>

The notes to the financial statements are an integral part of this statement.

**City of Louisville  
Reconciliation of the Balance Sheet  
to the Statement of Net Position  
December 31, 2013**

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Balance sheet - total fund balances	\$ 24,144,514
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Amounts reported for governmental activities in the statement of net assets (Exhibit 1) are different because:

Capital assets (net of accumulated depreciation) used in governmental activities are not financial resources and therefore are not reported in the funds. The amount is \$94,744,736 less the internal service funds of \$1,412,386	93,332,350
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Compensated absences are not recorded in government funds because they are not due and payable at year end.	(875,965)
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Internal service funds are used by management to charge the costs of certain activities, such as fleet, computer replacement, and building maintenance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.	3,112,281
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Some liabilities, including bonds payable (\$3,810,000) and premium on bonds payable (\$15,700) are not included in governmental funds. Both the premium and the cost of refunding will be amortized over the life of the bonds.	<u>(3,825,700)</u>
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Net position of governmental activities	<u><u>\$ 115,887,480</u></u>
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The notes to the financial statements are an integral part of this statement.

**City of Louisville, Colorado**  
**Governmental Funds**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**For the Year Ending December 31, 2013**

		Major Special Revenue Funds	Major Capital Project Funds		
		Conservation Trust - Open Space & Parks	Capital Projects	Other Governmental Funds	Total Governmental Funds
	General				
<b>Revenue:</b>					
Taxes:					
Property taxes	\$ 2,254,404	\$ -	\$ -	\$ 728,124	\$ 2,982,528
Sales tax	5,958,796	1,129,209	2,976,598	376,410	10,441,013
Use tax	1,808,620	415,181	1,446,376	138,658	3,808,835
Lodging tax	380,033	-	-	-	380,033
Franchise tax	1,059,412	-	-	-	1,059,412
Other taxes	260,545	-	-	-	260,545
Licenses and Permits	1,153,558	-	-	895,379	2,048,937
Intergovernmental	1,121,515	26,865	-	248,553	1,396,933
Charges for services	1,816,836	-	-	32,793	1,849,629
Fines and forfeits	223,608	-	-	-	223,608
Miscellaneous:					
Investment income	18,559	21,323	23,465	15,772	79,119
Other	297,646	127,743	16,156	5,300	446,845
Total revenue	16,353,532	1,720,321	4,462,595	2,440,989	24,977,437
<b>Expenditures:</b>					
Current:					
General government	2,191,113	1,096,603	475,102	288,427	4,051,245
Finance	358,580	-	-	-	358,580
Police	4,419,408	-	-	-	4,419,408
Public works	2,073,155	-	-	-	2,073,155
Planning	907,443	-	-	-	907,443
Library services	1,499,791	-	-	-	1,499,791
Parks and Recreation	2,858,014	-	-	-	2,858,014
Capital outlay	-	1,697,687	4,595,500	158,667	6,451,854
Debt service:					
Principal	-	-	435,000	875,000	1,310,000
Interest	-	-	15,225	178,733	193,958
Total expenditures	14,307,504	2,794,290	5,520,827	1,500,827	24,123,448
Excess (deficiency) of revenues over expenditures	2,046,028	(1,073,969)	(1,058,232)	940,162	853,989
<b>Other Financing Sources (Uses):</b>					
Transfers in	250,000	515,140	574,350	64,173	1,403,663
Transfers (out)	(63,150)	-	(434,038)	(1,340,513)	(1,837,701)
Total other financing sources (uses)	186,850	515,140	140,312	(1,276,340)	(434,038)
<b>Net Change in Fund Balance</b>	2,232,878	(558,829)	(917,920)	(336,178)	419,951
<b>Fund balance, January 1</b>	4,257,451	7,898,898	6,821,948	4,746,266	23,724,563
<b>Fund balance, December 31</b>	\$ 6,490,329	\$ 7,340,069	\$ 5,904,028	\$ 4,410,088	\$ 24,144,514

The notes to the financial statements are an integral part of this statement.

**City of Louisville  
Reconciliation of the Statement of Revenues,  
Expenditures, and Changes in Fund Balances of Governmental Funds  
to the Statement of Activities  
For the Year Ended December 31, 2013**

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Net change in fund balances - total governmental funds	\$ 419,951
Amounts reported for governmental activities in the statement of net activities (Exhibit 2) are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which net capital outlays (\$5,873,602) exceeded depreciation (\$3,733,631) in the current period.	2,139,971
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	(46,846)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. This is the amount of debt repayments.	1,310,000
Internal service funds are used by management to charge the costs of certain activities, such as fleet, computer replacement, and building maintenance to individual funds. The aggregate net revenue of the internal service funds is reported with governmental activities.	68,935
Change in net position of governmental activities	\$ 3,892,011

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The notes to the financial statements are an integral part of this statement.

**City of Louisville, Colorado**  
**Proprietary Funds**  
**Statement of Net Position**  
**December 31, 2013**

	<b>Enterprise Funds</b>				<b>Internal Service Funds</b>
	<b>Water &amp; Wastewater</b>	<b>Golf Course</b>	<b>Solid Waste &amp; Recycling</b>	<b>Total</b>	
<b>Assets:</b>					
Current assets:					
Pooled Cash and Investments	\$ 20,796,032	\$ 126,797	\$ -	\$ 20,922,829	\$ 1,699,297
Receivables:					
Interest	9,863	60	-	9,923	805
Accounts (net of allowance for doubtful accounts)	495,603	-	191,320	686,923	-
Grants	101,460	94,110	101	195,671	-
Prepaid expenses	2,291	-	-	2,291	-
Total current assets	21,405,249	220,967	191,421	21,817,637	1,700,102
Noncurrent assets:					
Cash restricted for debt service	144,392	-	-	144,392	-
Advances To Other Funds	1,352,356	-	-	1,352,356	-
Capital assets:					
Property, plant and equipment:					
Land / land improvements	1,249,363	2,336,019	-	3,585,382	-
Water rights	31,340,150	-	-	31,340,150	-
Construction-in-progress	930,964	266,624	-	1,197,588	-
Buildings	252,574	950,098	-	1,202,672	381,953
Improvements other than buildings	1,366,081	1,308,740	-	2,674,821	-
Treatment / pumping plants	21,215,103	-	-	21,215,103	-
Reservoirs / storage facilities	6,072,151	-	-	6,072,151	-
Collection system	34,914,265	-	-	34,914,265	-
Machinery and equipment	2,917,210	9,810	-	2,927,020	2,652,027
Office furniture and fixtures	102,125	-	-	102,125	100,757
Less: Accumulated depreciation	(29,317,886)	(1,541,039)	-	(30,858,925)	(1,722,351)
Total capital assets (net of accumulated depreciation)	71,042,100	3,330,252	-	74,372,352	1,412,386
Total noncurrent assets	72,538,848	3,330,252	-	75,869,100	1,412,386
Total assets	\$ 93,944,097	\$ 3,551,219	\$ 191,421	\$ 97,686,737	\$ 3,112,488
<b>Deferred Outflows of Resources:</b>					
Loss on refunding	11,220	-	-	11,220	-
Total deferred outflows of resources	\$ 11,220	\$ -	\$ -	\$ 11,220	\$ -

The notes to the financial statements are an integral part of this statement.

	Enterprise Funds				Internal Service Funds
	Water & Wastewater	Golf Course	Solid Waste & Recycling	Total	
<b>Liabilities:</b>					
Current liabilities:					
Accounts payable	\$ 569,397	\$ 40,473	\$ 105,988	\$ 715,858	\$ 207
Bank Overdraft	-	-	29,156	29,156	-
Accrued liabilities	177,292	-	915	178,207	-
Compensated absences payable - current	22,949	-	184	23,133	-
Bonds payable - current	630,000	-	-	630,000	-
Capital lease payable - current	50,625	-	-	50,625	-
Total current liabilities	1,450,263	40,473	136,243	1,626,979	207
Long-term liabilities:					
Advances from other funds	-	1,352,356	-	1,352,356	-
Compensated absences payable	185,679	-	1,486	187,165	-
Notes payable	7,725,000	-	-	7,725,000	-
Capital lease payable	171,813	-	-	171,813	-
Total long-term liabilities	8,082,492	1,352,356	1,486	9,436,334	-
Total liabilities	9,532,755	1,392,829	137,729	11,063,313	207
<b>Net Position:</b>					
Net investment in capital assets	62,475,882	3,330,252	-	65,806,134	1,412,386
Restricted for debt service and future operations	144,392	-	-	144,392	-
Unrestricted	21,802,288	(1,171,862)	53,692	20,684,118	1,699,895
Total net position	\$ 84,422,562	\$ 2,158,390	\$ 53,692	\$ 86,634,644	\$ 3,112,281

The notes to the financial statements are an integral part of this statement.



**City of Louisville, Colorado**  
**Proprietary Funds**  
**Statement of Revenues, Expenses, and Changes in Fund Net Position**  
**For the Year Ended December 31, 2013**

	Enterprise Funds				Internal Service Funds
	Water & Wastewater	Golf Course	Solid Waste & Recycling	Total	
<b>Operating revenue:</b>					
Charges for services:					
Water and wastewater sales	\$ 7,026,998	\$ -	\$ -	\$ 7,026,998	\$ -
Solid waste and recycling sales	-	-	1,179,859	1,179,859	-
Other sales for services	-	96,057	-	96,057	328,989
Total operating revenue	7,026,998	96,057	1,179,859	8,302,914	328,989
<b>Operating expenses:</b>					
Cost of sales and services	4,157,913	26,785	1,180,859	5,365,557	70,536
Administration	943,130	133	34,958	978,221	-
Depreciation and amortization	1,589,447	69,090	-	1,658,537	193,871
Total operating expenses	6,690,490	96,008	1,215,817	8,002,315	264,407
Operating income (loss)	336,508	49	(35,958)	300,599	64,582
<b>Nonoperating revenue (expenses)</b>					
Investment income	66,072	371	1,170	67,613	4,353
Grant revenue	101,460	94,110	101	195,671	-
Insurance recovery proceeds	106,122	-	-	106,122	-
Interest expense	(321,244)	(6,376)	-	(327,620)	-
Debt Issuance Costs	(60,930)	-	-	(60,930)	-
Proceeds from disposition of assets	44,880	48	-	44,928	-
Loss on asset write-off	(21,943)	-	-	(21,943)	-
Total nonoperating revenue (expenses)	(85,583)	88,153	1,271	3,841	4,353
Income (loss) before, capital contributions, extraordinary items, and transfers	250,925	88,202	(34,687)	304,440	68,935
Capital contributions - tap fees and other	4,582,766	-	-	4,582,766	-
Transfers in (out)	-	434,038	-	434,038	-
Change in net position before extraordinary item	4,833,691	522,240	(34,687)	5,321,244	68,935
Extraordinary Loss	-	(1,821,826)	-	(1,821,826)	-
<b>Change in net position</b>	4,833,691	(1,299,586)	(34,687)	3,499,418	68,935
<b>Net position January 1</b>	79,588,871	3,457,976	88,379	83,135,226	3,043,346
<b>Net position December 31</b>	<u>\$ 84,422,562</u>	<u>\$ 2,158,390</u>	<u>\$ 53,692</u>	<u>\$ 86,634,644</u>	<u>\$ 3,112,281</u>

The notes to the financial statements are an integral part of this statement.

**City of Louisville, Colorado**  
**Proprietary Funds**  
**Statement of Cash Flows**  
**For the Year Ended December 31, 2013**

	Enterprise Funds				Internal Service Funds
	Water & Wastewater	Golf Course	Solid Waste & Recycling	Total	
<b>Cash flows from operating activities:</b>					
Receipts from customers	\$ 6,759,854	\$ 1,947	\$ 1,171,985	\$ 7,933,786	\$ 331,517
Payments to suppliers	(2,715,085)	3,323	(1,182,164)	(3,893,926)	(115,341)
Payments to employees	(2,484,213)	-	-	(2,484,213)	-
Net cash provided (used) by operating activities	1,560,556	5,270	(10,179)	1,555,647	216,176
<b>Cash flows from noncapital financing activities:</b>					
Internal activity - payments to other funds	-	(90,000)	-	(90,000)	-
Internal activity - payments from other funds	90,000	434,038	-	524,038	-
Net cash provided (used) by noncapital financing activities	90,000	344,038	-	434,038	-
<b>Cash flows from capital and related financing activities:</b>					
Capital contributions	4,582,766	-	-	4,582,766	-
Proceeds from gain on disposition of assets	117,845	48	-	117,893	-
Proceeds from bonds	8,355,000	-	-	8,355,000	-
Capital Grant Proceeds	101,460	94,110	101	195,671	-
Insurance recovery proceeds	106,122	36,183	-	142,305	-
Purchases of capital assets	(2,643,226)	(443,436)	-	(3,086,662)	(398,286)
Principal paid on capital debt	(8,953,125)	-	-	(8,953,125)	-
Interest paid on capital debt	(321,244)	-	-	(321,244)	-
Bond Issuance Costs	(60,930)	-	-	(60,930)	-
Net cash provided (used) by capital and related financing activities	1,284,668	(313,095)	101	971,674	(398,286)
<b>Cash flows from investing activities:</b>					
Interest earnings	81,396	471	1,186	83,053	4,353
Net increase (decrease) in pooled cash and investments	3,016,620	36,684	(8,893)	3,044,411	(177,757)
<b>Cash and cash equivalents, January 1</b>	17,923,804	90,113	8,893	18,022,810	1,877,054
<b>Cash and cash equivalents, December 31</b>	<u>\$ 20,940,424</u>	<u>\$ 126,797</u>	<u>\$ -</u>	<u>\$ 21,067,221</u>	<u>\$ 1,699,297</u>
<b>Reconciliation of operating income (loss) to net cash</b>					
Operating income (loss)	\$ 336,508	\$ 49	\$ (35,958)	\$ 300,599	\$ 64,582
Adjustments to reconcile operating income (loss) to net cash					
cash provided by operating activities:					
Depreciation and amortization expense	1,589,447	69,090	-	1,658,537	193,871
Change in assets and liabilities:					
Receivables	(267,144)	(94,110)	(7,874)	(369,128)	2,528
Inventories	-	-	-	-	-
Prepaid expenses	(2,291)	-	-	(2,291)	-
Deferred charges	-	-	-	-	-
Compensated absences	17,237	-	(540)	16,697	-
Accounts payable	(110,438)	30,241	5,079	(75,118)	(44,805)
Accrued liabilities	(2,763)	-	(42)	(2,805)	-
Cash Overdraft	-	-	29,156	29,156	-
<b>Net cash provided (used) by operating activities</b>	<u>\$ 1,560,556</u>	<u>\$ 5,270</u>	<u>\$ (10,179)</u>	<u>\$ 1,555,647</u>	<u>\$ 216,176</u>

The notes to the financial statements are an integral part of this statement.



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## **Notes to the Financial Statements**

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**City of Louisville**  
**Notes to the Financial Statements**  
**December 31, 2013**

**Note 1: Summary of significant accounting policies**

The City of Louisville (City) was founded in 1878 and incorporated in 1882. The registered electors voted to become a home rule city on November 6, 2001 under the provisions of Article XX of the Constitution of the State of Colorado. The City is a municipal corporation governed by an elected mayor and six-member council. The financial statements of the City have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

**A. Reporting entity**

The accompanying financial statements present the City and its component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of the City's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the City, the primary government. A discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the City.

Governmental Accounting Standards Board (GASB) Statement 61, *The Financial Reporting Entity: Omnibus an Amendment of GASB Statements No. 14 and No. 34* provides additional criteria for classifying entities as component units to better assess the accountability of elected officials by ensuring that the financial reporting entity includes only organizations for which the elected officials are financially accountable or that are determined by the government to be misleading to exclude.

The City presently has one blended component unit included within the reporting entity; the Urban Revitalization District, which is presented as a special revenue fund. The City Council is essentially the governing body of the District, but appoints the Louisville Revitalization Commission (LRC) to oversee the general operations of the District. The City provides all administrative, financial, and legal support services to the District. By Cooperation Agreement between the City and the LRC, the City Council must approve the District's budget, any expenditure made by the District, the issuance of any debt, and the execution of any contractual obligations. The City has not discretely presented component units.

**B. Government-wide and fund financial statements**

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Exceptions to this general rule are charges for interfund services that are reasonably equivalent to the services provided. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

**City of Louisville**  
**Notes to the Financial Statements**  
**December 31, 2013**

**Note 1: Summary of significant accounting policies (continued)**

**B. Government-wide and fund financial statements (continued)**

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

**C. Measurement focus, basis of accounting, and financial statement presentation**

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when the City receives cash.

The City reports the following major governmental funds:

- The *General Fund* is the City's primary operating fund. It is used to account for most of the day-to-day operations of the City, which are financed from sales taxes, property taxes, and other general revenues. Activities financed by the General Fund include those of line and staff departments within the City, except for activities of the enterprise funds.



**City of Louisville**  
**Notes to the Financial Statements**  
**December 31, 2013**

**Note 1: Summary of significant accounting policies (continued)**

**C. Measurement focus, basis of accounting, and financial statement presentation (continued)**

- The *Open Space & Parks Fund* is a special revenue fund and accounts for a temporary sales and use tax of three-eighths percent (3/8%) to be in effect for ten years, beginning January 1, 1994. The voters extended this tax in 2002 for another ten years beginning January 1, 2004 and extended the tax again in 2012 for another ten years beginning January 1, 2014 and ending on December 31, 2023. Revenues from the three-eighths percent are used exclusively for the acquisition and maintenance of land in and around Louisville for open space buffer zones, trails, wildlife habitats, wetlands preservation and future parks.
- The *Capital Projects Fund* was created in 1985 to account for the service expansion fee and the major thoroughfare fee. These fees were collected through the building permit process and were restricted for construction or renovation of park and building facilities; improvements to streets, alleys, sidewalks, and trails; acquisitions of City trees, improvements to drainage system; and for capital equipment. This fund now accounts for the monies received from a one-percent (1%) sales tax, which began July 1, 1989. This one-percent sales tax funds various capital improvements and the debt service on sales tax revenue bonds issued in 2003.

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water and wastewater utilities, the golf course, the solid waste enterprise funds, and the City's internal service funds are charges to customers for sales and services. The utilities recognize the portion of tap fees intended to recover the cost of connecting new customers to the system as operating revenue. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The City reports the following major proprietary funds:

- The *Water & Wastewater Fund* accounts for the operations and capital needs to provide water, wastewater, and storm water services within the boundaries of the City.
- The *Golf Course Fund* accounts for the operations and capital needs of Coal Creek Golf Course, which is owned by the City but has been licensed for operation by Western Golf Properties.
- The *Solid Waste & Recycling Fund* accounts for the operations of providing solid waste pickup and single-stream recycling.

**City of Louisville**  
**Notes to the Financial Statements**  
**December 31, 2013**

**Note 1: Summary of significant accounting policies (continued)**

**C. Measurement focus, basis of accounting, and financial statement presentation (continued)**

Additionally, the City reports the following fund types:

- *Internal Service Funds* account for fleet and technology replacements provided to all departments of the City, and for repairs and maintenance to City facilities. The activity of the Internal Service Funds has been eliminated from the government-wide financial statements.

The financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for governmental accounting and financial reporting.

Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources, then unrestricted resources as needed.

**D. Assets, liabilities, and net position/fund balance**

**1. Cash, cash equivalents and investments**

Cash and cash equivalents include cash on hand, amounts in demand deposits, amounts in local government investment pools, and investments with maturity dates within five years of the date acquired by the City. Investments are stated at fair value.

**2. Interfund receivables/payables and advances**

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances." Advances from other funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate they are not available for appropriation and are not expendable available financial resources.

**3. Inventories**

Inventories are valued at cost, using the first-in/first-out method. The costs of inventories are recorded as an expense or expenditure when consumed rather than when purchased. The inventory balance, as reported in the fund financial statements, is offset by a fund balance reserve account in applicable

**City of Louisville**  
**Notes to the Financial Statements**  
**December 31, 2013**

**Note 1: Summary of significant accounting policies (continued)**

**D. Assets, liabilities, and net position/fund balance (continued)**

governmental funds to indicate they are not available for appropriation and are not expendable available financial resources.

**4. Prepaid items**

Payments made to vendors for services that will benefit periods beyond year-end are recorded as prepaid items. The prepaid balances, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate they are not available for appropriation and are not expendable available financial resources.

**5. Restricted assets**

Restricted assets in the enterprise funds are cash set aside for the repayment of debt in compliance with bond covenants and cash restricted for future operations in compliance with escrow reserve agreements.

**6. Capital assets**

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, sidewalks, traffic signals, trails, and similar items) purchased or constructed since 1980, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and the proprietary fund types in the fund financial statements. Capital assets are defined by the City as assets with an initial individual cost of \$5,000 or more and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related assets, as applicable.

Interest is capitalized on proprietary fund assets acquired with tax-exempt debt. The amount of interest to be capitalized is calculated by offsetting interest expense incurred from the date of the borrowing until completion of the project with interest earned on invested proceeds over the same period. In 2013, no interest was capitalized.

**City of Louisville**  
**Notes to the Financial Statements**  
**December 31, 2013**

**Note 1: Summary of significant accounting policies (continued)**

**D. Assets, liabilities, and net position/fund balance (continued)**

**6. Capital assets (continued)**

Property, plant, and equipment of the City are depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	50
Building Improvements	30
Streets & Sidewalks	35
Water, Wastewater, & Storm Water Systems	50
Vehicles	3 – 7
Machinery & Equipment	5 – 10
Computer Equipment	3 – 10

**7. Compensated absences**

Upon termination, employees are paid for all unused time in their paid leave bank and compensatory time bank. Accumulated paid leave and compensatory time for employees paid out of governmental funds are recorded as a fund liability when due. All unused time is recorded as a liability in the Governmental Activities column in the Statement of Net Assets. As the paid leave and compensatory time benefits accrue to employees of proprietary funds, an expense and liability is recorded in those funds.

**8. Long-term obligations**

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets.

In the fund financial statements, governmental fund types recognize bond discounts and issuance costs in the current period. Bond premiums/discounts for proprietary fund types are capitalized and amortized on a straight-line basis over the term of the bonds using the straight-line method, which approximates the effective interest method. Bond premiums/discounts are presented as an increase in or reduction from the face amount of bonds payable. Bond issuance costs are expensed as incurred.

**9. Deferred Outflows/Inflows of Resources**

Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The City has only one item that qualifies for reporting in this category – the deferred charge on refunding reported in the government-wide statement of net position. A deferred

**City of Louisville**  
**Notes to the Financial Statements**  
**December 31, 2013**

**Note 1: Summary of significant accounting policies (continued)**

**D. Assets, liabilities, and net position/fund balance (continued)**

**9. Deferred Outflows/Inflows of Resources (continued)**

charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred over the shorter of the life of the refunded or refunding debt.

Deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has two items, which arise only under a modified accrual basis of accounting that qualifies for reporting in this category – deferred revenues from two sources: property taxes and miscellaneous other. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

**10. Fund Balances**

The City reflects fund balances in accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions (GASB 54)*. This Statement defines the different types of fund balances that a governmental entity must use for financial reporting purposes.

GASB 54 requires that all fund balance amounts be properly reported within one of the following fund balance categories:

1. *Nonspendable*, such as fund balance associated with inventories, prepaid expenditures, and long-term loans and notes receivable.
2. *Restricted* fund balance category includes amounts that can be spent only for specific purposes as stipulated by external resource providers or by law through constitution provisions or enabling legislation.
3. *Committed* fund balance classification includes amounts that can be used only for the specific purposes as determined by City Council ordinance. An ordinance is required to establish, rescind, or modify a fund balance commitment.
4. *Assigned* fund balance classifications are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. As of December 31, 2013, the City Council has not authorized any official to assign fund balance other than through the execution of purchase orders.
5. *Unassigned* fund balance is the residual classification for the General fund and includes all spendable amounts not contained in the other classifications

The City does not have an accounting policy regarding which resources (restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available and by default have determined committed amounts to be reduced first, followed by assigned amounts, and then unassigned amounts.

**City of Louisville**  
**Notes to the Financial Statements**  
**December 31, 2013**

**Note 1: Summary of significant accounting policies (continued)**

**D. Assets, liabilities, and net position/fund balance (continued)**

**10. Fund Balances (continued)**

Per Resolution No. 42, Series 1996, the City established policy in which the General Fund will maintain a minimum fund balance of 15% of the then current operating budget.

In compliance with GASB 54, the City has reported fund balance at December 31, 2013 in the following manner:

*Nonspendable:* The City maintains an inventory of fuel for various vehicles and equipment (\$26,500). The City has prepaid various amounts in 2013 that will be recorded as expenses in 2014 (\$44,052). The total equity within the Cemetery Perpetual Care Fund, a Permanent Fund, is non-spendable (\$424,221).

*Restricted:* The Taxpayer's Bill of Rights (TABOR) requires a certain level of reserves within the City's General Fund. The City has calculated a required reserve of \$761,218 at December 31, 2013. The total equity within the Open Space & Parks Fund (\$7,340,069), which contains proceeds from a 3/8% sales and use tax, is restricted by voter approval to acquisition and maintenance of open space and parks land. The total equity in the Conservation Trust – Lottery Fund (\$424,221), which contains State lottery proceeds, is restricted by State law to acquisition and development of conservation sites. The Capital Projects Fund contains a contribution from the Takoda Metropolitan District (\$250,852) that is restricted by intergovernmental agreement for specific capital improvements. The remaining equity within the Capital Projects Fund (\$5,653,176), which contains proceeds from a 1% sales & use tax, is restricted by voter approval for capital improvements. The total equity within the Urban Revitalization District Fund (\$590) is restricted to improvements within the district or services related to district operations. The total equity in the Historic Preservation Fund (\$1,783,276), which contains proceeds from a 1/8% sales and use tax, is restricted by voter approval to historic preservation purposes. The total equity in the Debt Service Fund (\$696,968) is restricted by voter approval for debt service on the City's 2004 General Obligation Library Bonds.

*Committed:* The total equity within the PEG Fees Fund (\$67,791), which contains proceeds from a 50-cent per account per month cable television fee, is committed by Council action to capital outlay for public access television. The total equity in the Parking Improvement Fund (\$6,074), which contains parking exactions, is committed by Council action for public parking improvements. The total equity within the Impact Fee Fund (\$844,545), which contains proceeds from developer impact fees, is committed by Council action for specific growth-related capital projects. The total equity within the Cemetery Fund (\$84,863) is committed by Council action to cemetery maintenance and improvements.

**City of Louisville**  
**Notes to the Financial Statements**  
**December 31, 2013**

**Note 1: Summary of significant accounting policies (continued)**

**D. Assets, liabilities, and net position/fund balance (continued)**

**10. Fund Balances (continued)**

*Assigned:* The total amount of encumbrances (outstanding purchase orders) within the General Fund at December 31, 2013 was \$61,239.

**11. Contraband forfeitures**

In accordance with the Colorado Contraband Forfeiture Act (CRS-16-13-501 to 511) forfeitures from the seizure of contraband are used for the specific purpose of law enforcement activities. These funds are included in the City's General Fund.

**12. Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates that could affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**13. Comparative Data**

Certain comparative total data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of changes in the City's financial position and operations. However, complete comparative data in accordance with generally accepted accounting principles has not been presented since its inclusion would make the financial statements unduly complex and difficult to read.

**Note 2: Stewardship, compliance, and accountability**

**A. Budgetary information**

Budgets for the governmental funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgets for the proprietary funds are adopted on a basis consistent with GAAP, except that the budgeted expenditures also include capital outlay and bond principal payments and exclude depreciation. Council legally adopts all governmental and proprietary fund budgets. The level on which expenditures may not exceed appropriations is the legally adopted annual operating budget for each fund. All annual appropriations lapse at year end. The City Council may amend the budget by resolution. The City requires all governmental and all proprietary funds adopt an annual budget.

**City of Louisville**  
**Notes to the Financial Statements**  
**December 31, 2013**

**Note 2: Stewardship, compliance, and accountability (continued)**

**A. Budgetary information (continued)**

On or before the first day of September, each department director submits to the City Manager the department's proposed budget for the next fiscal year. On or before the third Tuesday in October, the City Manager submits to the Council the proposed budget for the next fiscal year. Within fourteen days after receiving the proposed budget from the City Manager, City Council sets the date and time for at least one public hearing on the proposed budget. On or before December 15, the City Council adopts the budget by resolution.

Encumbrances represent commitments related to unperformed contracts for goods and services. Encumbrance accounting – under which purchase orders, contracts, and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation – is utilized in all funds. Encumbrances outstanding at year-end are continued into the subsequent year. Encumbrances at year-end do not constitute expenditures or liabilities because the commitments will be re-appropriated during the subsequent year.

**B. Excess of expenditures over appropriations**

For the year ended December 31, 2013, total expenditures (including interfund transfers out) did not exceed total appropriations in any of the City's funds.

**Note 3: Deposits and investments**

**A. Cash and deposits**

As of December 31, 2013 the summary of the carrying values of deposits and investments is as follows:

Petty Cash	\$ 2,845
Deposits	3,132,615
Investments (at fair value)	43,785,861
	<u>\$ 46,921,321</u>

The Colorado Public Deposit Protection Act ("PDPA") requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by State regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the aggregate uninsured deposits. The City has \$394,825 of FDIC-insured deposits and \$2,745,873 of collateralized deposits under PDPA as of December 31, 2013.



**City of Louisville**  
**Notes to the Financial Statements**  
**December 31, 2013**

**Note 3: Deposits and investments (continued)**

**B. Investments**

The types of investments which are authorized to be made with City funds are controlled by state statutes and the investment policies of the City. Colorado statutes and the City's investment policies specify investments instruments meeting defined rating risk criteria in which the City may invest:

- a. Any security issued by, fully guaranteed by, or for which the full credit of the United States Treasury is pledged for payment.
- b. Any security issued by, fully guaranteed by, or for which the full credit of the following is pledged for payment: The Federal Farm Credit Bank, a Federal Home Loan Bank, the Federal Home Loan Mortgage Corporation, and the Federal National Mortgage Association.
- c. Any security that is a general obligation of any state of the United States.
- d. Any interest in a local government investment pool.
- e. Any corporate bank security issued by a corporation or bank that is organized and operated within the United States.
- f. Any money market fund that is registered as an investment company under the federal "Investment Company Act of 1940".
- g. The purchase of any repurchase agreement of marketable securities.

At December 31, 2013, the City's investments (at fair value) are categorized as follows:

Account Description	Ratings	Maturity		Total
		< 1 Year	1-5 Years	
LGIP - CSAFE	AAA <sup>Am</sup> S&P	\$ 2,768,727	\$ -	\$ 2,768,727
LGIP - COLOTRUST	AAA <sup>Am</sup> S&P	2,803,327	-	2,803,327
U.S. Gov't Agency Securities	AA+/stable S&P	10,050,500	26,164,467	36,214,967
Commercial Paper	A1+ S&P	1,998,840	-	1,998,840
<b>Total Investments</b>		<b>\$17,621,394</b>	<b>\$26,164,467</b>	<b>\$43,785,861</b>

*Local Government Investment Pools* – At December 31, 2013, the City had \$2,768,727 and \$2,803,327 invested in the Colorado Surplus Asset Fund Trust (CSAFE) and the Colorado Local Government Liquid Asset Trust (COLOTRUST), local government investment pools, respectively. The pools operate under the Colorado Revised Statutes (24-75-701) and are overseen by the Colorado Securities Commissioner. The pools invest in securities that are specified by the Colorado Revised Statutes (24-75-601). Authorized securities include U.S. Treasuries, U.S. Agencies, commercial paper rated A1 or better and bank deposits (collateralized through PDPA). The pools operate similar to a 2a-7-like money market fund with a share value equal to \$1.00 and a maximum weighted average maturity of 60 days. The pools are rated AAA<sup>Am</sup> by the Standards & Poor's Corporation. A custodial bank provides banking services and trust custody for

**City of Louisville**  
**Notes to the Financial Statements**  
**December 31, 2013**

**Note 3: Deposits and investments (continued)**

**C. Investments (continued)**

securities held on behalf of the participating governments in the pools. The custodian's internal records identify the investments owned by the participating governments.

*Interest Rate Risk* – In accordance with the City's Investment Policy and State statutes, the City manages its exposure to declines in fair value losses arising from increased interest rates by limiting the maturity date of investment securities to five years from the date of purchase.

*Credit Risk* – The City's Investment Policy and Colorado statutes limit investments in money market funds to those that maintain a constant share price, with a maximum remaining maturity in accordance with Rule 2a-7, and either have assets of one billion dollars or the highest rating issued by a NRSRO. State statutes limit investments in U.S. Agency securities to the highest rating issued by at least two NRSROs.

*Concentration of Credit Risk* – The City's Investment Policy and State statutes do not limit the amount the City may invest in one issuer. At December 31, 2012, the City's investments in Fannie Mae securities represented 39% of the City's total investments. The City's investments in Freddie Mac securities represented 21% of total investments.

**Note 4: Receivables**

**A. Property taxes**

Property taxes are attached as an enforceable lien on property as of January 1. Taxes are certified by December 31, levied on January 1 and paid in either one installment on April 30, or two installments on February 28 and June 15. Boulder County bills and collects the City's property taxes. Property taxes are recognized as receivables and deferred revenues when a lien is placed on the property, and as revenue when due for collection in the following year.

**B. Allowance for doubtful accounts**

Due to the City's ability to successfully collect on accounts, the allowance for doubtful accounts in the Water and Wastewater Fund at December 31, 2013, was \$0.

**Note 5: Inter-fund receivables/payables, advances, and transfers**

The advances to/from funds represent interfund loans. As of December 31, 2013, there was an outstanding interfund loan from the Water & Wastewater Utility Fund to the Golf Course Fund in the amount of \$1,352,356. This loan originated from a

**City of Louisville**  
**Notes to the Financial Statements**  
**December 31, 2013**

**Note 5: Inter-fund receivables/payables, advances, and transfers (continued)**

\$700,000 advance in 2008, a \$370,000 advance in 2009, and a \$655,000 advance in 2010. Accrued interest is applied on the outstanding balance. Section 13-3(b) of the City of Louisville Charter states that any loan of money derived from a City-owned utility to any other City-owned utility, or to any other City fund, shall be approved by ordinance, the motion approving the loan shall specify the term of the loan and the interest rate, and the interest rate shall be adjusted annually to a rate equal to the average return of City investments for the preceding twelve (12) months. The Golf Course Fund is expected to repay the loan, with interest, with proceeds from golf course operations. Complete repayment is not expected until 2021.

Inter-fund transfers occurring in 2013 are as follows:

Transfers Out	Transfers In					Total
	General Fund	Open Space & Parks Fund	Cemetery Fund	Capital Projects Fund	Golf Course Fund	
General Fund	-	-	63,150	-	-	63,150
Cemetery Perpetual Care Fund	-	-	1,023	-	-	1,023
Historic Preservation Fund	250,000	-	-	-	-	250,000
Capital Projects Fund	-	-	-	-	434,038	434,038
Impact Fee Fund	-	515,140	-	574,350	-	1,089,490
Total	<u>250,000</u>	<u>515,140</u>	<u>64,173</u>	<u>574,350</u>	<u>434,038</u>	<u>1,837,701</u>

The General Fund and the Cemetery Perpetual Care Fund make annual transfers to the Cemetery Fund to help cover the cost of Cemetery operations. The annual transfer from the Cemetery Perpetual Care Fund is equal to the interest earned in the Cemetery Perpetual Care Fund.

The General Fund made a one-time \$1,500,000 transfer to the Historic Preservation Fund in 2012 to assist with property acquisition funding. Beginning in 2013, the Historic Preservation Fund made the first of a series of transfers back to the General Fund. The remaining balance will be repaid in the future as funds are available.

The Capital Project Fund transferred an amount to the Golf Course Fund to fund the cost of clubhouse and golf course improvements.

The Impact Fee Fund makes an annual transfer to the Open Space & Parks Fund and the Capital Project Fund to expend impact fee revenue for transportation, facility, and recreation projects that are deemed eligible for impact fee funding.

**City of Louisville**  
**Notes to the Financial Statements**  
**December 31, 2013**

**Note 6: Capital assets**

**A. Governmental Activities**

A summary of changes in capital assets for the year ended December 31, 2013 is as follows:

***Governmental Activities***

	Balance at 1/1/2013	Additions	Deletions	Balance at 12/31/2013
<b>Capital assets not being depreciated:</b>				
Land and Easements	\$ 31,046,840	\$ 836,905	\$ (136,518)	\$ 31,747,227
Construction in progress	1,657,727	2,590,745	(1,380,379)	2,868,093
<b>Total capital assets, not being depreciated</b>	<b>32,704,567</b>	<b>3,427,650</b>	<b>(1,516,897)</b>	<b>34,615,320</b>
<b>Other capital assets:</b>				
Buildings	23,196,085	187,920	-	23,384,005
Infrastructure improvements	82,999,439	3,360,495	(281,570)	86,078,364
Machinery and equipment	6,222,741	971,558	(485,782)	6,708,517
<b>Total other capital assets at historical cost</b>	<b>112,418,265</b>	<b>4,519,973</b>	<b>(767,352)</b>	<b>116,170,886</b>
<b>Less accumulated depreciation for:</b>				
Buildings	(7,176,138)	(766,263)	-	(7,942,401)
Infrastructure improvements	(41,557,484)	(2,689,810)	131,408	(44,115,886)
Machinery and equipment	(3,988,858)	(471,430)	477,105	(3,983,183)
<b>Total accumulated depreciation</b>	<b>(52,722,480)</b>	<b>(3,927,503)</b>	<b>608,513</b>	<b>(56,041,470)</b>
<b>Other capital assets, net</b>	<b>59,695,785</b>	<b>592,470</b>	<b>(158,839)</b>	<b>60,129,416</b>
<b>Governmental activities capital assets, net</b>	<b>\$ 92,400,352</b>	<b>\$ 4,020,120</b>	<b>\$ (1,675,736)</b>	<b>\$ 94,744,736</b>

Depreciation expense was charged to functions as follows:

**Governmental activities:**

General government	151,651
Finance	796
Police	93,766
Public works	2,406,963
Planning	72,557
Library	92,414
Parks and recreation	915,485
In addition, depreciation on capital assets held by the City's internal service funds (see Exhibit 5) is charged to the various functions based on the percentage of contribution to the fund.	193,871
<b>Total governmental activities depreciation expense</b>	<b>\$ 3,927,503</b>

**City of Louisville**  
**Notes to the Financial Statements**  
**December 31, 2013**

**Note 6: Capital assets (continued)**

**B. Business-type activities**

A summary of changes in capital assets for the year ended December 31, 2013 is as follows:

***Business-type activities***

	Balance at 1/1/2013	Additions	Deletions	Balance at 12/31/2013
<b>Capital assets not being depreciated:</b>				
Land	\$ 4,282,574	\$ 836,905	\$ (1,534,098)	\$ 3,585,381
Water rights	31,335,108	5,043	-	31,340,151
Construction in progress	1,113,296	1,050,397	(966,105)	1,197,588
<b>Total capital assets not being depreciated</b>	<b>36,730,978</b>	<b>1,892,345</b>	<b>(2,500,203)</b>	<b>36,123,120</b>
<b>Other capital assets:</b>				
Buildings	1,075,269	267,250	(139,848)	1,202,671
Infrastructure improvements	63,779,959	1,616,388	(520,006)	64,876,341
Machinery and equipment	3,315,974	288,841	(575,672)	3,029,143
<b>Total other capital assets at historical cost</b>	<b>68,171,202</b>	<b>2,172,479</b>	<b>(1,235,526)</b>	<b>69,108,155</b>
<b>Less accumulated depreciation for:</b>				
Buildings	(638,388)	(49,392)	65,735	(622,045)
Infrastructure improvements	(27,624,116)	(1,346,742)	163,240	(28,807,618)
Machinery and equipment	(1,786,350)	(218,582)	575,672	(1,429,260)
<b>Total accumulated depreciation</b>	<b>(30,048,854)</b>	<b>(1,614,716)</b>	<b>804,647</b>	<b>(30,858,923)</b>
<b>Other capital assets, net</b>	<b>38,122,348</b>	<b>557,763</b>	<b>(430,879)</b>	<b>38,249,232</b>
<b>Business-type activities capital assets, net</b>	<b>\$ 74,853,326</b>	<b>\$ 2,450,108</b>	<b>\$ (2,931,082)</b>	<b>\$ 74,372,352</b>
<b>Depreciation expense was charged to functions as follows:</b>				
<b>Business-type activities:</b>				
Water & Wastewater		\$ 1,545,626		
Golf		69,090		
<b>Total Business-type activities depreciation expense</b>		<b>\$ 1,614,716</b>		

**C. Asset Impairment**

In September 2013, the Colorado Front Range experienced severe flooding due to unprecedented precipitation. The City of Louisville suffered damage to Front Street Bridge, Coal Creek Golf Course, and over 90% of the Coal Creek Trail System. Per GASB Statement 42, *Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries*, the City has recognized an impairment loss of \$1,858,000 for the Coal Creek Golf Course and \$150,000 for the Coal Creek Trail system. Per generally accepted accounting principles, both of these losses are shown

**City of Louisville**  
**Notes to the Financial Statements**  
**December 31, 2013**

as extraordinary items in the financial statements.

**Note 7: Long-term debt**

**A. Changes in long-term liabilities**

A summary of changes in long-term liabilities for the year ended December 31, 2013 is as follows:

	Balance at 1/1/2013	Additions	Reductions	Balance at 12/31/2013	Due within One Year
<b>Governmental activities</b>					
<b>Bonds payable:</b>					
<i>Sales tax refunding revenue bonds</i>					
2003 Sales Tax Bonds	\$ 435,000	\$ -	\$ (435,000)	\$ -	\$ -
Bond Premium	4,657	-	(4,657)	-	-
	<u>439,657</u>	<u>-</u>	<u>(439,657)</u>	<u>-</u>	<u>-</u>
<i>Library Long Term Debt GO Bonds</i>					
2004 Library Bonds	4,685,000	-	(875,000)	3,810,000	360,000
Bond Premium	17,270	-	(1,570)	15,700	-
	<u>4,702,270</u>	<u>-</u>	<u>(876,570)</u>	<u>3,825,700</u>	<u>360,000</u>
<b>Total bonds payable</b>	<u>5,141,927</u>	<u>-</u>	<u>(1,316,227)</u>	<u>3,825,700</u>	<u>360,000</u>
<b>Other liabilities:</b>					
<i>Compensated absences</i>	835,825	1,049,436	(1,009,296)	875,965	96,356
<b>Governmental activities non-current liabilities</b>	<u>\$ 5,977,752</u>	<u>\$ 1,049,436</u>	<u>\$ (2,325,523)</u>	<u>\$ 4,701,665</u>	<u>\$ 456,356</u>
<b>Business-type activities</b>					
<b>Bonds, loans, and leases payable:</b>					
<i>Water Loans Payable:</i>					
2013 Water & Wastewater Refunding Bonds	-	8,355,000	-	8,355,000	630,000
2003 Water CWRPDA Loan	8,905,000	-	(8,905,000)	-	-
	<u>8,905,000</u>	<u>8,355,000</u>	<u>(8,905,000)</u>	<u>8,355,000</u>	<u>630,000</u>
<b>Windy Gap Lease Payments</b>	<u>270,562</u>	<u>-</u>	<u>(48,125)</u>	<u>222,437</u>	<u>50,625</u>
	<u>270,562</u>	<u>-</u>	<u>(48,125)</u>	<u>222,437</u>	<u>50,625</u>
<b>Total bonds, loans, and leases payable</b>	<u>9,175,562</u>	<u>8,355,000</u>	<u>(8,953,125)</u>	<u>8,577,437</u>	<u>680,625</u>
<b>Other liabilities:</b>					
<i>Compensated absences</i>	193,602	221,622	(204,926)	210,298	23,133
<b>Business-type activities non-current liabilities</b>	<u>\$ 9,369,164</u>	<u>\$ 8,576,622</u>	<u>\$ (9,158,051)</u>	<u>\$ 8,787,735</u>	<u>\$ 703,758</u>

Compensated absences in both governmental and business-type activities are classified as long-term liabilities. The City estimates that the current portion of compensated absences is \$96,356 in the governmental funds and \$23,133 in the business type activity funds for a total of \$119,489. Compensated absences of the governmental activities are expected to be paid from the General Fund, Open Space & Parks Fund, Cemetery Fund, Historic Preservation Fund, and the Capital Projects Fund.

**City of Louisville**  
**Notes to the Financial Statements**  
**December 31, 2013**

**Note 7: Long-term debt (continued)**

**B. Bonds payable – government activities**

Bonds payable at December 31, 2013 are comprised of the following issues:

The 2.0% - 3.5%, Series 2003 Sales Tax Refunding Revenue Bonds mature annually beginning on December 1, 2004 through December of 2013. During the year ended December 31, 2013, pledged revenues derived from one-third (1/3) of the sales tax revenues in the Capital Projects Fund totaling \$992,199 were available to pay annual debt service of \$450,225. This debt was completely paid in 2013 and no debt service requirements remain.

The 2.0% - 4.25% Series 2004 Limited Tax General Obligation Library Bonds mature annually beginning on December 1, 2004 through December 2023. Remaining debt service at December 31, 2013 was \$4,601,266.

**C. Bonds payable - enterprise funds**

On September 13, 2013, the 2003 Series Colorado Water Resources and Power Development Authority Water Resources Revenue loan was refinanced and completely paid on December 1, 2013 with the issuance of \$8,355,000 of 2013 Water & Wastewater Enterprise Revenue Refunding Bonds. The interest rate on all the refunding bonds is 2.47%. The total dollar value savings from the refinancing is approximately \$639,600 over the life of the bonds. The net present value savings at time of issuance was approximately \$550,100. The remaining debt service on the refunding bonds at December 31, 2013 was \$9,694,692.

**D. Capital lease payable - enterprise funds**

On November 3, 1994, the City entered into a water rights lease with option to purchase with the City of Greeley, Colorado for \$708,457. The interest rate is 4.0% - 5.1%. Payments of both principal and interest are due on April 1st of each year, through 2017. Payments are calculated based on the debt service paid by the Northern Colorado Water Conservancy District. At the end of the lease, title to the three units of Windy Gap Water will transfer to the City. The lease is serviced by the Water & Wastewater Fund. Remaining debt service at December 31, 2013, was \$251,487.

**City of Louisville**  
**Notes to the Financial Statements**  
**December 31, 2013**

**Note 7: Long-term debt (continued)**

**E. Debt requirements to maturity**

The annual debt service requirements for all bonds and notes outstanding as of December 31, 2013, are as follows:

Year	Governmental Activities			Business-Type Activities		
	General Obligation Bonds			Revenue Refunding Bonds		
	Principle	Interest	Total	Principle	Interest	Total
2014	\$ 360,000	\$ 145,223	\$ 505,223	\$ 630,000	\$ 251,655	\$ 881,655
2015	375,000	133,343	508,343	690,000	190,808	880,808
2016	390,000	120,405	510,405	705,000	173,765	878,765
2017	405,000	106,365	511,365	725,000	156,351	881,351
2018	425,000	91,380	516,380	745,000	138,444	883,444
2019-2023	1,855,000	194,550	2,049,550	4,000,000	407,427	4,407,427
2024	-	-	-	860,000	21,242	881,242
Balance	<u>\$ 3,810,000</u>	<u>\$ 791,266</u>	<u>\$ 4,601,266</u>	<u>\$ 8,355,000</u>	<u>\$ 1,339,692</u>	<u>\$ 9,694,692</u>

<u>Business-Type Activities</u>	
<u>Windy Gap Leases</u>	
<u>City of Greeley</u>	
<u>Year</u>	<u>Payment</u>
2014	\$ 61,997
2015	62,063
2016	63,673
2017	63,755
Total	251,488
Interest	(29,051)
Balance	<u>\$ 222,437</u>



**City of Louisville**  
**Notes to the Financial Statements**  
**December 31, 2013**

**Note 8: Retirement commitments – employee pension plan**

The City provides a qualified defined contribution pension plan, administered by the ICMA Retirement Trust, for all regular full-time and regular part-time employees. At December 31, 2013, there were 167 plan members. This plan is provided through the ICMA Retirement Corporation Prototype 401(a) Money Purchase Plan and Trust. This plan does not meet the standards of generally accepted accounting principles for inclusion as part of the reporting entity.

In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are required to participate from date of employment. For 2013, the City required the employee to contribute 5.0% of earnings with the City matching 5.5% for the plan year. Plan provisions and contribution requirements have been adopted by the City Council. Changes to the plan can be made by the City Manager.

Earnings include base pay, overtime, and any applicable bonuses. The City's matching contributions and earnings are vested as follows:

<u>Years of Service Completed</u>	<u>Specified Percent Vested</u>
Less than One	0%
One	50%
Two	100%

All administrative costs of the plan are borne by the participants of the plan. City contributions for, and interest forfeited by, employees who leave employment before partially or fully vested may be used to reduce future City contributions. The 2013 contributions were \$493,809 from employees and \$543,191 from the City for a total of \$1,037,000. Wages paid by the City in 2013 totaled \$10,808,634, with regular full-time and regular part-time benefited employees receiving \$9,876,188.

In addition, employees may participate in an Internal Revenue Code 457 Plan on a voluntary basis. The City only makes contributions to the City Manager's 457 Plan, an amount equal to 10% of base salary.

**Note 9: Risk Management**

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. The City carries commercial insurance for the risks of loss, including worker's compensation and property/casualty loss insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. Limits of insurance coverage remain unchanged in the past three years.

**City of Louisville**  
**Notes to the Financial Statements**  
**December 31, 2013**

**Note 10: Commitments**

**A. Windy Gap**

The Municipal Subdistrict, Northern Colorado Water Conservancy District (Subdistrict) was established July 6, 1970, pursuant to the Water Conservancy District Act. The Subdistrict is a political subdivision of the State of Colorado. In 1994, the City of Louisville entered into a lease purchase arrangement for three units of Windy Gap Water from the City of Greeley, Colorado. The Subdistrict currently provides a portion of the water supply for the cities of Boulder, Broomfield, Greeley, Longmont, Loveland, the Town of Estes Park, the Platte River Power Authority, and various other domestic water suppliers.

In 2002, the City entered into an agreement with the Superior Metropolitan District No. 1 for the purchase of six units of Windy Gap Water. The Subdistrict was formed by six municipalities to develop supplemental water supplies. In 1981, the Subdistrict issued bonds to finance the cost of the Windy Gap Project. Under this agreement, the City is responsible for all the Northern Colorado Water Conservancy District's continuing obligations for the payment of those assessments due and owing on the six units of Windy Gap Water beginning in 2003. The City's future payments under the contract are as follows:

<u>Year</u>	<u>Payment</u>
2014	\$123,994
2015	124,125
2016	127,347
2017	127,509
Total	<u>\$502,975</u>

The governing board of the Subdistrict is a Board of twelve (12) directors appointed for four-year terms by the presiding State District Court Judges of each of the four judicial districts located wholly or partly within the boundaries of the Northern Colorado Water Conservancy District. Officers are elected by the Board of Directors at its annual meeting. The City and other participating entities have no direct control over the Subdistrict's budgeting or financing.

In 1997, the City of Louisville received final acceptance and entered into the Subdistrict. On August 23, 1995 the City entered into an allotment contract for capacity in the connecting pipeline from the main pipeline referenced above to the Superior/Louisville pump station. From this point, Louisville has implemented, on their own, connections to their water treatment facilities.

The City repaid \$344,400 for preliminary and final design, project administration, environmental evaluations and other necessary work. The City provided \$948,600 for construction of the pipeline itself.

On January 14, 1994, the City entered into an allotment contract with the Northern Colorado Water Conservancy District (District), acting by and through the Southern Water Supply Project Water Activity Enterprise, for flow capacity in the Southern Water Supply Project Pipeline. The Southern Water Supply Project Pipeline begins below the Carter Lake Outlet Works and ends approximately 4 miles north of Louisville. Under this contract, the City, along with other Colorado governmental entities, has the perpetual exclusive right to use 2.58 million gallons

**City of Louisville**  
**Notes to the Financial Statements**  
**December 31, 2013**

**Note 10: Commitments (continued)**

**A. Windy Gap (continued)**

per day of capacity in the Pipeline. The other entities and their flow capacity in the pipeline are the Cities of Broomfield (8.00), Fort Lupton (5.16), Fort Morgan (6.13), Longmont (8.71), the Towns of Berthoud (2.58), Erie (1.03), Hudson (1.03), and the Little Thompson/Central Weld County Water Districts (16.13). During 2001, the City purchased additional capacity in the Pipeline for \$374,315. This increased the City's capacity by an additional 80%.

**B. Redevelopment Agreement**

In December 2006, the City established the Louisville Revitalization Commission and approved an urban renewal plan for certain blighted areas within the City. In 2008, the Urban Revitalization District began collecting tax increment revenues to finance improvements in the blighted areas. The agreement expires in December 2032.

**C. Diverging Diamond Interchange**

In February 2013, the City executed a contract with the Colorado Department of Transportation concerning the funding, design, and construction of a diverging diamond interchange at U.S. 36 and McCaslin Boulevard. Per the agreement, the City will contribute \$3,518,195 to the \$12.5 million project. Payment will be made in three annual installments of \$1,172,732 for 2013 through 2015.

**Note 11: Contingent liabilities**

**Litigation**

Various suits and claims are pending against the City as of December 31, 2013. Although the outcome of such suits and claims cannot be predicted with certainty, the City believes that the final outcome of these matters will not materially affect the financial statements of the City and that adequate insurance coverage exists in most cases to cover any potential settlement.

**Note 12: Tax, spending, and debt limitations**

At the November 3, 1992 general election, Colorado voters approved an amendment to the Colorado Constitution commonly known as the Taxpayer's Bill of Rights (TABOR). TABOR became effective December 31, 1992, and its provisions limit government taxes, spending revenues, and debt without electoral approval. Since this time several ballot issues have been presented to the Louisville citizens that impact the limitation.

**1993** – Open space tax approved.

**1994** – Open space bond issue and the use tax on residential building materials were approved.

**1996** – Authorization was given for the City to receive and expend all sales and use tax revenues, exempting these revenues from the TABOR limitation.

**City of Louisville**  
**Notes to the Financial Statements**  
**December 31, 2013**

**Note 12: Tax, spending, and debt limitations (continued)**

**1997** – A revenue-sharing intergovernmental agreement was approved, exempting these revenues from the TABOR limitations.

**1998** – The City Council, by ordinance, declared the Golf Course Fund an enterprise under the TABOR definition.

**1999** – Authorization to keep and spend the revenues collected and received during 1998 and each subsequent year from fees, state and local grants, developer contributions, intergovernmental revenues and payments in lieu of land dedications.

**2001** – Approval allowing the City to keep the excess property taxes collected in 2000 and exempts all future property taxes from the TABOR limitations.

**2002** – Approval of a new Lodging Excise Tax in the amount of 3% and exempting these revenues from the TABOR limitations.

**2002** – Extension of the open space tax for another ten years beginning on January 1, 1994 and ending on December 31, 2013 and exempting these revenues from the TABOR limitations.

**2003** – Library bond issue and the additional mill levy not to exceed 1.581 were approved.

**2005** – A use tax on personal tangible property was placed on the ballot in 2005 and failed.

**2006** – A use tax on personal tangible property was placed on the ballot in 2006 and failed.

**2006** – The City Council, by ordinance, declared the Storm Water Utility Fund an enterprise under the TABOR definition.

**2008** – Approval of a 1/8% sales tax for historic preservation purposes for a period of ten years beginning January 1, 2009.

**2009** – The City Council, by ordinance, declared the Solid Waste & Recycling Utility Fund an enterprise under the TABOR definition.

**2010** – Approval of a 3½% consumer use tax, of which 2% is unrestricted, 1% restricted for capital projects, 3/8% restricted for open space acquisition and maintenance, and 1/8% restricted for historic preservation purposes.

**2012** – Extension of the open space tax for another ten years beginning January 1, **2014** and ending December 31, 2023 and exempting these revenues from TABOR limitations.

Under the TABOR Amendment, all taxes (except as previously noted), licenses and permits, charges for services, fines and forfeitures, and miscellaneous revenue (except developer contributions and payments in lieu of land dedications) are part of the limitation calculation. Transfers into the fund and debt service (except the open space bond) are deducted. The remainder may increase by the combination of the local growth rate and the rate of inflation in the Denver/Boulder Area.

TABOR Amendment provisions require that annual property tax revenue changes be restricted to the same growth rate applicable to the City's general spending. In 2001 the voters approved exemption from this provision.

The TABOR Amendment also requires the local government to reserve three percent of total expenditures for emergencies in 1995 and years thereafter. (The definition of an "emergency," under TABOR is restricted to natural events, but excludes "economic conditions, revenue shortfalls, or district salary or fringe

**City of Louisville**  
**Notes to the Financial Statements**  
**December 31, 2013**

**Note 12: Tax, spending, and debt limitations (continued)**

benefit increase.”) Accordingly, the City has reviewed the existing reserves and determined that a minimum of 3%, or \$761,218 existed at December 31, 2013, to comply with the provisions of the TABOR Amendment.

The TABOR Amendment excludes activities or funds considered to be “enterprises.” The classification of an “enterprise” under the TABOR Amendment is based on three criteria: (1) the entity be considered a government-owned business; (2) the entity be authorized to issue its own revenue bonds; (3) the entity receive under 10% of its annual revenue in grants from all Colorado and local governments combined. The Water Utility Fund and Wastewater Utility Fund, as approved by Ordinance No. 1167 and 1168, Series 1994, were declared enterprises under the TABOR Amendment definition. These two funds were combined as one enterprise fund by Ordinance No. 1412, Series 2003.

Storm water activities were added to the Water and Wastewater Utility Fund by Ordinance No. 1502, Series 2006. The Golf Course Fund, as approved by Ordinance No. 1280, Series 1998, was given enterprise status in 1998. The Solid Waste & Recycling Fund, as approved by Ordinance No. 1554, Series 2009, was given enterprise status in 2009.

**Note 13: Subsequent Event**

In April 2010, the City entered into an agreement with Western Golf Properties, LLC (WGP) to operate, manage, and maintain the City’s Coal Creek Golf Course. Under this agreement, WGP set all fees, retained all revenue from all sources, hired all employees, purchased all necessary operating and maintenance equipment, and, in general, pay for all operating costs. In return, WGP agreed to pay the City \$180,000 per year.

Due to the necessity of completely reconstructing the flood-damaged golf course during the 2014 season, on April 1, 2014, the City negotiated the termination of the agreement with WGP. Once the golf course is completely reconstructed and operational, anticipated for Spring 2015, the City intends to operate, manage, and maintain the golf course itself.



## **Required Supplementary Information**

**City of Louisville, Colorado**  
**General Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ending December 31, 2013**  
**(With Comparative Totals for the Year Ended December 31, 2012)**

	<b>Budget</b>		<b>Actual</b>	<b>Budget</b>	
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Variance -</b>	<b>2012</b>
				<b>Positive</b>	<b>Actual</b>
				<b>(Negative)</b>	
<b>Revenue:</b>					
Taxes:					
Property tax	\$ 2,261,620	\$ 2,261,620	\$ 2,254,404	\$ (7,216)	\$ 2,235,296
Sales tax	5,653,770	5,753,040	5,958,796	205,756	5,561,990
Use tax	1,225,660	1,271,700	1,808,620	536,920	1,523,041
Lodging tax	388,660	388,660	380,033	(8,627)	365,883
Franchise tax	958,280	958,280	1,059,412	101,132	994,447
Other taxes	168,910	168,910	260,545	91,635	192,872
Licenses and permits	647,030	647,030	1,153,558	506,528	1,006,155
Intergovernmental	1,053,560	1,053,560	1,121,515	67,955	1,064,231
Charges for services	1,727,620	1,727,620	1,816,836	89,216	1,820,193
Fines and forfeitures	207,530	207,530	223,608	16,078	228,212
Miscellaneous	235,720	235,720	297,646	61,926	294,007
Interest income	25,000	25,000	18,559	(6,441)	41,897
Total revenue	14,553,360	14,698,670	16,353,532	1,654,862	15,328,224
<b>Expenditures:</b>					
Current:					
General government	2,273,340	2,400,900	2,191,113	209,787	1,834,692
Finance	413,020	414,020	358,580	55,440	609,416
Police	4,391,110	4,391,110	4,419,408	(28,298)	4,276,707
Public works	2,094,580	2,143,060	2,073,155	69,905	1,974,790
Planning	1,086,550	1,090,580	907,443	183,137	1,025,080
Library services	1,573,530	1,576,080	1,499,791	76,289	1,450,203
Parks and Recreation	2,844,390	2,887,160	2,858,014	29,146	2,737,470
Total expenditures	14,676,520	14,902,910	14,307,504	595,406	13,908,358
Excess (deficiency) of revenues over expenditures	(123,160)	(204,240)	2,046,028	2,250,268	1,419,866
<b>Other Financing Sources (Uses):</b>					
Transfers In	250,000	250,000	250,000	-	64,000
Transfers Out	(63,150)	(63,150)	(63,150)	-	(3,559,250)
Total other financing sources (uses)	186,850	186,850	186,850	-	(3,495,250)
<b>Net Change in Fund Balance</b>	<b>\$ 63,690</b>	<b>\$ (17,390)</b>	<b>2,232,878</b>	<b>\$ 2,250,268</b>	<b>(2,075,384)</b>
<b>Fund Balance, January 1</b>			<b>4,257,451</b>		<b>6,332,836</b>
<b>Fund Balance, December 31</b>			<b>\$ 6,490,329</b>		<b>\$ 4,257,451</b>

See the accompanying independent auditors' report

**City of Louisville, Colorado**  
**Open Space & Parks Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ending December 31, 2013**  
**(With Comparative Totals for the Year Ended December 31, 2012)**

	<b>Budget</b>		<b>Actual</b>	<b>Budget</b>	<b>2012</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Variance - Positive (Negative)</b>	<b>Actual</b>
<b>Revenue:</b>					
Taxes:					
Sales tax	\$ 1,062,450	\$ 1,090,420	\$ 1,129,209	\$ 38,789	\$ 1,053,547
Use tax	282,210	287,960	415,181	127,221	324,771
Intergovernmental	-	-	26,865	26,865	51,121
Miscellaneous	-	-	127,743	127,743	1,735
Interest income	50,000	50,000	21,323	(28,677)	41,156
Total revenue	<u>1,394,660</u>	<u>1,428,380</u>	<u>1,720,321</u>	<u>291,941</u>	<u>1,472,330</u>
<b>Expenditures:</b>					
General government	1,184,380	1,184,380	1,096,603	87,777	1,080,468
Capital outlay	3,142,150	3,313,120	1,697,687	1,615,433	521,062
Total expenditures	<u>4,326,530</u>	<u>4,497,500</u>	<u>2,794,290</u>	<u>1,703,210</u>	<u>1,601,530</u>
Excess (deficiency) of revenues over expenditures	<u>(2,931,870)</u>	<u>(3,069,120)</u>	<u>(1,073,969)</u>	<u>(1,411,269)</u>	<u>(129,200)</u>
<b>Other Financing Sources (Uses):</b>					
Transfers In	<u>-</u>	<u>515,140</u>	<u>515,140</u>	<u>-</u>	<u>158,320</u>
<b>Net Change in Fund Balance</b>	<u><u>\$ (2,931,870)</u></u>	<u><u>\$ (2,553,980)</u></u>	<u>(558,829)</u>	<u><u>\$ (1,411,269)</u></u>	<u>29,120</u>
<b>Fund Balance, January 1</b>			<u>7,898,898</u>		<u>7,869,778</u>
<b>Fund Balance, December 31</b>			<u><u>\$ 7,340,069</u></u>		<u><u>\$ 7,898,898</u></u>

See the accompanying independent auditors' report



**City of Louisville, Colorado**  
**Notes to Required Supplementary Information**  
**December 31, 2013**

**Note 1: Budgets and budgetary accounting**

The City Council follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The City Manager submits a proposed operating budget to the Mayor and the City Council for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures of all funds and the means of financing them.
2. A public hearing is conducted to obtain taxpayer comments.
3. Prior to the end of the fiscal year, the budget is legally adopted through passage of a resolution. An appropriation resolution, based on the adopted budget, is enacted on or before the last day of December.
4. Any revisions that alter the total appropriations of any fund must be approved by the City Council. The City's department heads may approve transfers within their department and the City Manager may approve transfers between departments.
5. The level on which expenditures may not legally exceed appropriations is the legally adopted annual operating budget for each fund in total. All appropriations lapse at year-end.
6. Budgets for the general, special revenue, debt service, capital projects, and permanent funds are adopted on a basis consistent with Generally Accepted Accounting Principles (GAAP).
7. Budgets for proprietary funds are adopted on a basis consistent with generally accepted accounting principles, except that the City excludes depreciation and amortization and includes debt service principal payments and capital outlay.
8. The City Council may legally amend the budget by resolution once it has been approved. Budgeted amounts, including all amendments, are shown as adopted by the City Council.



## **Other Statements and Schedules**

## NON-MAJOR GOVERNMENTAL FUNDS

### Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes

*PEG Fees Fund* – This fund is was created in 2006 in response to Resolution No. 22, Series 2006, that approved an agreement between the City of Louisville and Citizens Community Access Cable Television Management. Originally used to account for PEG grants, effective July 2009, the City's cable provider began collecting and remitting to the City a \$0.50 per account per month PEG Fee that is split evenly between the City and CCTV for capital outlay.

*Parking Improvement Fund* – This fund was created in 2000 to track the downtown parking improvement fee of \$10,500 per parking space established through Ordinance 1341. This fee is to be used for the purchase or lease of real and personal property for the construction, improvement, or provision of additional on-street and off-street public parking space to serve Downtown Louisville and other improvements associated with downtown parking. The fee was amended to \$3,600 per parking space in 2002 by Ordinance 1376.

*Conservation Trust – Lottery Fund* – The City of Louisville, through Resolution No. 14, dated July 16, 1974, established a Conservation Trust Fund. The City receives an annual distribution from the State of Colorado from the proceeds of the Colorado State Lottery. State law mandates that a Conservation Trust Fund be established to record revenues and expenditures and that these funds are restricted for the use in the acquisition, development, and maintenance of “new conservation sites” or for capital improvements or maintenance for recreational purposes on any public site.

*Impact Fee Fund* – The Impact Fee Fund was created in 2004 as a result of Ordinance No. 1436 Series 2003. This ordinance was to establish development impact fees for libraries, parks, trails, recreation, municipal facilities and transportation. As a result of the 2006 Impact Fee Study, the fee structures have been modified and Impact Fees are categorized as Municipal Facilities, Transportation, Library, Recreation, and Parks & Trails. A review and update to the Impact Fee Study was conducted in 2011, which resulted in a moderate reduction in Impact Fee rates.

*Cemetery Fund* – The Cemetery Fund was created on November 3, 2008 by Ordinance No. 1542. Unlike the Cemetery Perpetual Care Fund, all the revenue in the Cemetery Fund is less restricted and can be used for both cemetery maintenance and capital improvements. Beginning in 2009, all the interest revenue earned in the Cemetery Perpetual Care Fund is transferred to the Cemetery Fund for maintenance of the lots. In addition, the General Fund subsidizes the Cemetery Fund via annual interfund transfers.

*Urban Revitalization District Fund* – The Urban Revitalization District (URD) Fund was approved and established by City Council in 2006. Although the URD is a distinct and separate entity from the City, the City Council is essentially the governing body of the District, but appoints the Louisville Revitalization Commission (LRC) to oversee the

general operations. The City provides all administrative, financial, and legal support services to the District. By Cooperation Agreement between the City and the LRC, the City Council must approve the District's budget, any expenditure made by the District, the issuance of any debt, and the execution of any contractual obligations.

*Historical Preservation Fund* – On November 4, 2008, Louisville voters approved a temporary sales tax increase of 1/8% for ten years, beginning January 1, 2009. Revenue from this increase is restricted for historic preservation purposes within Old Town Louisville. The Historic Preservation Fund was created by Ordinance No. 1544, Series 2008. Resolution No. 20, Series 2009, enacted additional provisions regarding the administration, structure, and uses of the Historic Preservation Fund.

### **Debt Service Fund**

*Library Debt Service Fund* – In 2003, the Louisville voters approved a \$7,405,000 bond issue for the construction of a new library building. In addition, the voters approved an increase in the City's property tax levy not to exceed 1.581 mills to pay the debt service on the bonds. The majority of the construction was completed by August 2006. The Library Capital Construction Fund was created to account for the proceeds of the bond issue and the costs of construction of the new library. The debt service payments are accounted for in the Debt Service Fund.

### **Permanent Fund**

*Cemetery Perpetual Care Fund* – This fund is used to account for principal trust amounts received and related interest income. The interest portion of the trust is used to maintain the community cemetery.

**City of Louisville, Colorado**  
**Nonmajor Governmental Funds**  
**Combining Balance Sheet**  
**December 31, 2013**

	<b>Special Revenue Funds</b>				
	<b>PEG Fees</b>	<b>Parking Improvement</b>	<b>Conservation Trust-Lottery</b>	<b>Impact Fee</b>	<b>Cemetery</b>
<b>Assets:</b>					
Current assets:					
Cash and cash equivalents	\$ 61,440	\$ 6,071	\$ 507,064	\$ 843,722	\$ 87,766
Receivables:					
Property tax receivable	-	-	-	-	-
Sales and use tax receivable	-	-	-	-	-
Other revenue receivable	6,325	-	-	-	-
Interest receivable	29	3	240	917	41
Intergovernmental receivable	-	-	-	-	-
Total assets	<u>\$ 67,794</u>	<u>\$ 6,074</u>	<u>\$ 507,304</u>	<u>\$ 844,639</u>	<u>\$ 87,807</u>
<b>Liabilities:</b>					
Accounts payable	3	-	5,544	94	15
Accrued liabilities	-	-	-	-	2,929
Total Liabilities	<u>3</u>	<u>-</u>	<u>5,544</u>	<u>94</u>	<u>2,944</u>
<b>Deferred Inflows of Resources:</b>					
Unavailable revenue - property taxes	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balance:</b>					
Nonspendable:					
Cemetery care	-	-	-	-	-
Restricted for:					
Conservation sites	-	-	501,760	-	-
URD Improvements	-	-	-	-	-
Historic preservation	-	-	-	-	-
Debt service	-	-	-	-	-
Committed to:					
Public access television capital	67,791	-	-	-	-
Public Parking Improvements	-	6,074	-	-	-
Development impact capital	-	-	-	844,545	-
Cemetery maintenance and capital	-	-	-	-	84,863
Total fund balance	<u>67,791</u>	<u>6,074</u>	<u>501,760</u>	<u>844,545</u>	<u>84,863</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 67,794</u>	<u>\$ 6,074</u>	<u>\$ 507,304</u>	<u>\$ 844,639</u>	<u>\$ 87,807</u>

See the accompanying independent auditors' report

Special Revenue Funds (continued)			Debt Service Fund	Permanent Fund	Total Nonmajor Governmental Funds
Urban Revitalization	Historic Preservation	Special Revenue Total	Library Debt Service	Cemetery Perpetual Care	
\$ 11,514	\$ 1,767,224	\$ 3,284,801	\$ 696,672	\$ 424,040	\$ 4,405,513
192,501	-	192,501	682,526	-	875,027
-	57,520	57,520	-	-	57,520
-	-	6,325	-	-	6,325
36	838	2,104	330	202	2,636
-	-	-	-	-	-
<u>\$ 204,051</u>	<u>\$ 1,825,582</u>	<u>\$ 3,543,251</u>	<u>\$ 1,379,528</u>	<u>\$ 424,242</u>	<u>\$ 5,347,021</u>
10,960	39,049	55,665	34	21	55,720
-	3,257	6,186	-	-	6,186
<u>10,960</u>	<u>42,306</u>	<u>61,851</u>	<u>34</u>	<u>21</u>	<u>61,906</u>
192,501	-	192,501	682,526	-	875,027
<u>192,501</u>	<u>-</u>	<u>192,501</u>	<u>682,526</u>	<u>-</u>	<u>875,027</u>
-	-	-	-	424,221	424,221
-	-	501,760	-	-	501,760
590	-	590	-	-	590
-	1,783,276	1,783,276	-	-	1,783,276
-	-	-	696,968	-	696,968
-	-	67,791	-	-	67,791
-	-	6,074	-	-	6,074
-	-	844,545	-	-	844,545
-	-	84,863	-	-	84,863
<u>590</u>	<u>1,783,276</u>	<u>3,288,899</u>	<u>696,968</u>	<u>424,221</u>	<u>4,410,088</u>
<u>\$ 204,051</u>	<u>\$ 1,825,582</u>	<u>\$ 3,543,251</u>	<u>\$ 1,379,528</u>	<u>\$ 424,242</u>	<u>\$ 5,347,021</u>

See the accompanying independent auditors' report

**City of Louisville, Colorado**  
**Nonmajor Governmental Funds**  
**Combining Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances**  
**For the Year Ended December 31, 2013**

	<b>Special Revenue Funds</b>				
	<b>PEG Fees</b>	<b>Parking Improvement</b>	<b>Conservation Trust-Lottery</b>	<b>Impact Fee</b>	<b>Cemetery</b>
<b>Revenue:</b>					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Sales and use taxes	-	-	-	-	-
Licenses and permits	-	-	-	840,433	27,473
Intergovernmental	24,136	-	201,131	-	-
Charges for Services	-	6,120	-	-	26,673
Miscellaneous	-	-	5,300	-	-
Interest income	129	5	916	3,952	173
Total revenue	<u>24,265</u>	<u>6,125</u>	<u>207,347</u>	<u>844,385</u>	<u>54,319</u>
<b>Expenditures:</b>					
General government	34	-	286	1,149	103,435
Capital outlay	34	-	56,941	-	2,484
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Total expenditures	<u>68</u>	<u>-</u>	<u>57,227</u>	<u>1,149</u>	<u>105,919</u>
Excess (deficiency) of revenues over (under) expenditures	<u>24,197</u>	<u>6,125</u>	<u>150,120</u>	<u>843,236</u>	<u>(51,600)</u>
<b>Other Financing Sources (Uses):</b>					
Transfer In	-	-	-	-	64,173
Transfer Out	-	-	-	(1,089,490)	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,089,490)</u>	<u>64,173</u>
<b>Net Change in Fund Balance</b>	<u>24,197</u>	<u>6,125</u>	<u>150,120</u>	<u>(246,254)</u>	<u>12,573</u>
<b>Fund Balance, January 1</b>	<u>43,594</u>	<u>(51)</u>	<u>351,640</u>	<u>1,090,799</u>	<u>72,290</u>
<b>Fund Balance, December 31</b>	<u>\$ 67,791</u>	<u>\$ 6,074</u>	<u>\$ 501,760</u>	<u>\$ 844,545</u>	<u>\$ 84,863</u>

See the accompanying independent auditors' report

Special Revenue Funds (continued)			Debt Service Fund	Permanent Fund	Total Nonmajor Governmental Funds
Urban Revitalization	Historic Preservation	Special Revenue Total	Library Debt Service	Cemetery Perpetual Care	
\$ 64,110	\$ -	\$ 64,110	\$ 664,014	\$ -	\$ 728,124
-	515,068	515,068	-	-	515,068
-	-	867,906	-	27,473	895,379
-	23,286	248,553	-	-	248,553
-	-	32,793	-	-	32,793
-	-	5,300	-	-	5,300
40	5,284	10,499	4,249	1,024	15,772
64,150	543,638	1,744,229	668,263	28,497	2,440,989
63,560	118,593	287,057	1,096	274	288,427
-	99,208	158,667	-	-	158,667
-	-	-	875,000	-	875,000
-	-	-	178,733	-	178,733
63,560	217,801	445,724	1,054,829	274	1,500,827
590	325,837	1,298,505	(386,566)	28,223	940,162
-	-	64,173	-	-	64,173
-	(250,000)	(1,339,490)	-	(1,023)	(1,340,513)
-	(250,000)	(1,275,317)	-	(1,023)	(1,276,340)
590	75,837	23,188	(386,566)	27,200	(336,178)
-	1,707,439	3,265,711	1,083,534	397,021	4,746,266
\$ 590	\$ 1,783,276	\$ 3,288,899	\$ 696,968	\$ 424,221	\$ 4,410,088

See the accompanying independent auditors' report



**City of Louisville, Colorado**  
**PEG Fees Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ending December 31, 2013**  
**(With Comparative Totals for the Year Ended December 31, 2012)**

	<b>Budget</b>		<b>Actual</b>	<b>Budget</b>	<b>2012</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Variance - Positive (Negative)</b>	<b>Actual</b>
<b>Revenue:</b>					
Intergovernmental	\$ 25,500	\$ 25,500	\$ 24,136	\$ (1,364)	\$ 26,387
Interest income	150	150	129	(21)	149
Total revenues	<u>25,650</u>	<u>25,650</u>	<u>24,265</u>	<u>(1,385)</u>	<u>26,536</u>
<b>Expenditures:</b>					
General government	20	20	34	(14)	19
Capital outlay	60,000	60,000	34	59,966	6,086
Total expenditures	<u>60,020</u>	<u>60,020</u>	<u>68</u>	<u>59,952</u>	<u>6,105</u>
<b>Net Change in Fund Balance</b>	<u>\$ (34,370)</u>	<u>\$ (34,370)</u>	24,197	<u>\$ 58,567</u>	20,431
<b>Fund Balance, January 1</b>			43,594		23,163
<b>Fund Balance, December 31</b>			<u>\$ 67,791</u>		<u>\$ 43,594</u>

See the accompanying independent auditors' report

**City of Louisville, Colorado**  
**Parking Improvement Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ending December 31, 2013**  
**(With Comparative Totals for the Year Ended December 31, 2012)**

	<b>Budget</b>		<b>Actual Amounts</b>	<b>Budget Variance - Positive (Negative)</b>	<b>2012 Actual</b>
	<b>Original</b>	<b>Final</b>			
<b>Revenue:</b>					
Charges for services	\$ -	\$ -	\$ 6,120	\$ 6,120	\$ -
Interest income	-	-	5	5	-
Total revenues	-	-	6,125	6,125	-
<b>Expenditures</b>					
General Government	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	-	-	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	6,125	6,125	-
<b>Other Financing Sources (Uses):</b>					
Transfers in	-	-	-	-	-
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ -</u>	6,125	<u>\$ 6,125</u>	-
<b>Fund Balance, January 1</b>			(51)		(51)
<b>Fund Balance, December 31</b>			<u>\$ 6,074</u>		<u>\$ (51)</u>

See the accompanying independent auditors' report

**City of Louisville, Colorado**  
**Conservation Trust - Lottery Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ending December 31, 2013**  
**(With Comparative Totals for the Year Ended December 31, 2012)**

	<b>Budget</b>		<b>Actual</b>	<b>Budget</b>	<b>2012</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Variance - Positive (Negative)</b>	<b>Actual</b>
<b>Revenue:</b>					
Intergovernmental	\$ 185,610	\$ 185,610	\$ 201,131	\$ 15,521	\$ 185,495
Miscellaneous	-	-	5,300	5,300	-
Interest income	1,500	1,500	916	(584)	2,439
Total revenue	<u>187,110</u>	<u>187,110</u>	<u>207,347</u>	<u>20,237</u>	<u>187,934</u>
<b>Expenditures:</b>					
General government	300	300	286	14	31,899
Capital outlay	<u>288,850</u>	<u>291,350</u>	<u>56,941</u>	<u>234,409</u>	<u>324,456</u>
Total expenditures	<u>289,150</u>	<u>291,650</u>	<u>57,227</u>	<u>234,423</u>	<u>356,355</u>
<b>Net Change in Fund Balance</b>	<u>\$ (102,040)</u>	<u>\$ (104,540)</u>	150,120	<u>\$ 254,660</u>	(168,421)
<b>Fund Balance, January 1</b>			351,640		520,061
<b>Fund Balance, December 31</b>			<u>\$ 501,760</u>		<u>\$ 351,640</u>

See the accompanying independent auditors' report

**City of Louisville, Colorado**  
**Impact Fee Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ending December 31, 2013**  
**(With Comparative Totals for the Year Ended December 31, 2012)**

	<b>Budget</b>		<b>Actual</b>	<b>Budget</b>	<b>2012</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Variance - Positive (Negative)</b>	<b>Actual</b>
<b>Revenue:</b>					
Licenses and permits	\$ 1,572,550	\$ 1,572,550	\$ 840,433	\$ (732,117)	\$ 900,921
Interest income	5,000	5,000	3,952	(1,048)	6,454
Total revenue	<u>1,577,550</u>	<u>1,577,550</u>	<u>844,385</u>	<u>(733,165)</u>	<u>907,375</u>
<b>Expenditures:</b>					
General government	500	500	1,149	(649)	730
Total expenditures	<u>500</u>	<u>500</u>	<u>1,149</u>	<u>(649)</u>	<u>730</u>
Excess (deficiency) of revenues over expenditures	<u>1,577,050</u>	<u>1,577,050</u>	<u>843,236</u>	<u>(733,814)</u>	<u>906,645</u>
<b>Other Financing Sources (Uses):</b>					
Transfers out	<u>(689,000)</u>	<u>(1,090,140)</u>	<u>(1,089,490)</u>	<u>650</u>	<u>(524,520)</u>
<b>Net Change in Fund Balance</b>	<u>\$ 888,050</u>	<u>\$ 486,910</u>	<u>(246,254)</u>	<u>\$ (733,164)</u>	<u>382,125</u>
<b>Fund Balance, January 1</b>			<u>1,090,799</u>		<u>708,674</u>
<b>Fund Balance, December 31</b>			<u>\$ 844,545</u>		<u>\$ 1,090,799</u>

See the accompanying independent auditors' report

**City of Louisville, Colorado**  
**Cemetery Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ending December 31, 2013**  
**(With Comparative Totals for the Year Ended December 31, 2012)**

	<b>Budget</b>		<b>Actual</b>	<b>Budget</b>	<b>2012</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Variance - Positive (Negative)</b>	<b>Actual</b>
<b>Revenue:</b>					
Licenses and permits	\$ 26,210	\$ 26,210	\$ 27,473	\$ 1,263	\$ 26,662
Charges for Services	28,880	28,880	26,673	(2,207)	29,909
Miscellaneous	-	-	-	-	-
Interest income	400	400	173	(227)	348
Total revenue	<u>55,490</u>	<u>55,490</u>	<u>54,319</u>	<u>(1,171)</u>	<u>56,919</u>
<b>Expenditures:</b>					
General government	104,640	104,640	103,435	1,205	94,156
Capital Outlay	17,000	32,250	2,484	29,766	1,750
Total expenditures	<u>121,640</u>	<u>136,890</u>	<u>105,919</u>	<u>30,971</u>	<u>95,906</u>
Excess (deficiency) of revenue over expenditures	<u>(66,150)</u>	<u>(81,400)</u>	<u>(51,600)</u>	<u>29,800</u>	<u>(38,987)</u>
<b>Other Financing Sources (Uses):</b>					
Transfers in	<u>66,150</u>	<u>66,150</u>	<u>64,173</u>	<u>(1,977)</u>	<u>61,255</u>
<b>Net Change in Fund Balance</b>	<u>\$ -</u>	<u>\$ (15,250)</u>	<u>12,573</u>	<u>\$ 27,823</u>	<u>22,268</u>
<b>Fund Balance, January 1</b>			<u>72,290</u>		<u>50,022</u>
<b>Fund Balance, December 31</b>			<u>\$ 84,863</u>		<u>\$ 72,290</u>

See the accompanying independent auditors' report

**City of Louisville, Colorado**  
**Urban Revitalization District Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ending December 31, 2013**  
**(With Comparative Totals for the Year Ended December 31, 2012)**

	<b>Budget</b>		<b>Actual</b>	<b>Budget</b>	
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Variance -</b>	<b>2012</b>
				<b>Positive</b>	<b>Actual</b>
				<b>(Negative)</b>	
<b>Revenue:</b>					
Property taxes	\$ 64,950	\$ 64,950	\$ 64,110	\$ (840)	\$ 57,253
Interest income	250	250	40	(210)	185
Total revenues	<u>65,200</u>	<u>65,200</u>	<u>64,150</u>	<u>(1,050)</u>	<u>57,438</u>
<b>Expenditures:</b>					
General government	<u>63,560</u>	<u>63,560</u>	<u>63,560</u>	-	<u>62,896</u>
Total expenditures	<u>63,560</u>	<u>63,560</u>	<u>63,560</u>	-	<u>62,896</u>
<b>Net Change in Fund Balance</b>	<u>\$ 1,640</u>	<u>\$ 1,640</u>	590	<u>\$ (1,050)</u>	(5,458)
<b>Fund Balance, January 1</b>			-		5,458
<b>Fund Balance, December 31</b>			<u>\$ 590</u>		<u>\$ -</u>

See the accompanying independent auditors' report

**City of Louisville, Colorado**  
**Historic Preservation Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ending December 31, 2013**  
**(With Comparative Totals for the Year Ended December 31, 2012)**

	<b>Budget</b>		<b>Actual</b>	<b>Budget</b>	<b>2012</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Variance - Positive (Negative)</b>	<b>Actual</b>
<b>Revenue:</b>					
Taxes:					
Sales tax	\$ 354,090	\$ 363,480	\$ 376,410	\$ 12,930	\$ 351,187
Use tax	86,310	88,230	138,658	50,428	108,258
Intergovernmental	-	19,500	23,286	3,786	5,427
Miscellaneous	-	-	-	-	-
Interest income	2,000	2,000	5,284	3,284	5,863
Total revenue	<u>442,400</u>	<u>473,210</u>	<u>543,638</u>	<u>70,428</u>	<u>470,735</u>
<b>Expenditures:</b>					
General government	303,910	352,910	118,593	234,317	103,222
Capital outlay	750,000	750,000	99,208	650,792	956,706
Total expenditures	<u>1,053,910</u>	<u>1,102,910</u>	<u>217,801</u>	<u>885,109</u>	<u>1,059,928</u>
Excess (deficiency) of revenue over expenditures	<u>(611,510)</u>	<u>(629,700)</u>	<u>325,837</u>	<u>(814,681)</u>	<u>(589,193)</u>
<b>Other Financing Sources (Uses):</b>					
Transfers In	-	-	-	-	1,500,000
Transfers Out	<u>(250,000)</u>	<u>(250,000)</u>	<u>(250,000)</u>		
Total other financing sources (uses)	<u>(250,000)</u>	<u>(250,000)</u>	<u>(250,000)</u>	<u>-</u>	<u>1,500,000</u>
<b>Net Change in Fund Balance</b>	<u>\$ (861,510)</u>	<u>\$ (879,700)</u>	75,837	<u>\$ (814,681)</u>	910,807
<b>Fund Balance, January 1</b>			1,707,439		796,632
<b>Fund Balance, December 31</b>			<u>\$ 1,783,276</u>		<u>\$ 1,707,439</u>

See the accompanying independent auditors' report

**City of Louisville, Colorado**  
**Library Debt Service Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ending December 31, 2013**  
**(With Comparative Totals for the Year Ended December 31, 2012)**

	<b>Budget</b>		<b>Actual</b>	<b>Budget</b>	
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Variance -</b>	<b>2012</b>
				<b>Positive</b>	<b>Actual</b>
				<b>(Negative)</b>	
<b>Revenue:</b>					
Taxes:					
Property taxes	\$ 665,750	\$ 665,750	\$ 664,014	\$ (1,736)	\$ 658,027
Interest income	10,000	10,000	4,249	(5,751)	7,287
Total revenue	<u>675,750</u>	<u>675,750</u>	<u>668,263</u>	<u>(7,487)</u>	<u>665,314</u>
<b>Expenditures:</b>					
General Operations	1,150	1,150	1,096	54	1,055
Debt service:					
Principal	875,000	875,000	875,000	-	335,000
Interest	178,730	178,730	178,733	(3)	188,783
Total expenditures	<u>1,054,880</u>	<u>1,054,880</u>	<u>1,054,829</u>	<u>51</u>	<u>524,838</u>
<b>Net Change in Fund Balance</b>	<u>\$ (379,130)</u>	<u>\$ (379,130)</u>	(386,566)	<u>\$ (7,436)</u>	140,476
<b>Fund Balance, January 1</b>			1,083,534		943,058
<b>Fund Balance, December 31</b>			<u>\$ 696,968</u>		<u>\$ 1,083,534</u>

See the accompanying independent auditors' report



**City of Louisville, Colorado**  
**Cemetery Perpetual Care Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ending December 31, 2013**  
**(With Comparative Totals for the Year Ended December 31, 2012)**

	<b>Budget</b>		<b>Actual</b>	<b>Budget</b>	<b>2012</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Variance - Positive (Negative)</b>	<b>Actual</b>
<b>Revenue:</b>					
Licenses and permits	\$ 26,210	\$ 26,210	\$ 27,473	\$ 1,263	\$ 26,662
Interest income	3,000	3,000	1,024	(1,976)	2,005
Total revenue	<u>29,210</u>	<u>29,210</u>	<u>28,497</u>	<u>(713)</u>	<u>28,667</u>
<b>Expenditures:</b>					
General operations	250	250	274	(24)	238
Total expenditures	<u>250</u>	<u>250</u>	<u>274</u>	<u>(24)</u>	<u>238</u>
Excess (deficiency) of revenue over expenditures	<u>28,960</u>	<u>28,960</u>	<u>28,223</u>	<u>(737)</u>	<u>28,429</u>
<b>Other Financing Sources (Uses):</b>					
Transfers out	<u>(3,000)</u>	<u>(3,000)</u>	<u>(1,023)</u>	<u>1,977</u>	<u>(2,005)</u>
<b>Net Change in Fund Balance</b>	<u>\$ 25,960</u>	<u>\$ 25,960</u>	<u>27,200</u>	<u>\$ 1,240</u>	<u>26,424</u>
<b>Fund Balance, January 1</b>			<u>397,021</u>		<u>370,957</u>
<b>Fund Balance, December 31</b>			<u>\$ 424,221</u>		<u>\$ 397,021</u>

See the accompanying independent auditors' report

**City of Louisville, Colorado**  
**Capital Projects Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ending December 31, 2013**  
**(With Comparative Totals for the Year Ended December 31, 2012)**

	<b>Budget</b>		<b>Actual Amounts</b>	<b>Budget Variance - Positive (Negative)</b>	<b>2012 Actual</b>
	<b>Original</b>	<b>Final</b>			
<b>Revenue:</b>					
Taxes:					
Sales tax	\$ 2,801,890	\$ 2,876,480	\$ 2,976,598	\$ 100,118	\$ 2,780,955
Use tax	640,330	640,330	1,446,376	806,046	1,056,384
Intergovernmental	-	-	(3,964)	(3,964)	953,084
Miscellaneous	328,440	328,440	20,120	(308,320)	29,378
Interest income	20,000	20,000	23,465	3,465	25,494
Total revenue	<u>3,790,660</u>	<u>3,865,250</u>	<u>4,462,595</u>	<u>597,345</u>	<u>4,845,295</u>
<b>Expenditures:</b>					
General government	488,330	488,330	475,102	13,228	437,413
Capital outlay	6,736,800	7,676,240	4,595,500	3,080,740	3,327,885
Debt service:					
Principal	435,000	435,000	435,000	-	420,000
Interest	15,230	15,230	15,225	5	29,925
Total expenditures	<u>7,675,360</u>	<u>8,614,800</u>	<u>5,520,827</u>	<u>3,093,973</u>	<u>4,215,223</u>
Excess (deficiency) of revenue over expenditures	<u>(3,884,700)</u>	<u>(4,749,550)</u>	<u>(1,058,232)</u>	<u>3,691,318</u>	<u>630,072</u>
<b>Other Financing Sources (Uses):</b>					
Transfers In	689,000	575,000	574,350	(650)	3,381,499
Transfers Out	<u>(289,440)</u>	<u>(430,830)</u>	<u>(434,038)</u>	<u>(3,208)</u>	<u>(291,914)</u>
Total other financing sources (uses)	<u>399,560</u>	<u>144,170</u>	<u>140,312</u>	<u>(3,858)</u>	<u>3,089,585</u>
<b>Net Change in Fund Balance</b>	<u><u>\$(3,485,140)</u></u>	<u><u>\$(4,605,380)</u></u>	<u>(917,920)</u>	<u><u>\$ 3,687,460</u></u>	<u>3,719,657</u>
<b>Fund Balance, January 1</b>			<u>6,821,948</u>		<u>3,102,291</u>
<b>Fund Balance, December 31</b>			<u><u>\$ 5,904,028</u></u>		<u><u>\$ 6,821,948</u></u>

See the accompanying independent auditors' report

## **ENTERPRISE FUNDS**

### **Individual Fund Budget Schedules**

*Water and Wastewater Fund* – This fund accounts for the provision of water, sewer and storm water services to residents and some outside users. All activities that are necessary to providing such services are accounted for in these funds, including, but not limited to: administration, billing operations, environmental monitoring, capital outlay, and maintenance, financing and related debt.

*Golf Course Fund* – The Golf Course Fund accounts for the activities of the Coal Creek Golf Course, which is owned by the City. Prior to April 1, 2010, the City contracted with Western Golf Properties, a golf course management company, to operate the facility, supervise collection and disbursement of City funds, employ all personnel, and purchase/sell all food, beverages, and merchandise. Effective April 1, 2010, the City executed License Agreement with Western Golf Properties, whereby Western Golf Properties not only operated the facility but paid for all costs and retained all revenue. In return, Western Golf Properties paid the City a \$180,000 per year license fee. Due to the necessity of completely reconstructing the flood-damaged golf course during the 2014 season, on April 1, 2014, the City negotiated the termination of the agreement with WGP. Once the golf course is completely reconstructed and operational, anticipated for Spring 2015, the City intends to operate, manage, and maintain the golf course itself.

*Solid Waste & Recycling Fund* – This fund was created by Ordinance No. 1554, Series 2009, to account for the resources generated and the costs incurred to provide solid waste pickup and recycling services. In 2013, the City contracted with Western Disposal to perform the pickup and recycling services.

**City of Louisville, Colorado**  
**Water & Wastewater Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ending December 31, 2013**  
**(With Comparative Totals for the Year Ended December 31, 2012)**

	<b>Budget</b>		<b>Actual</b>	<b>Budget</b>	
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Variance -</b>	<b>2012</b>
				<b>Positive</b>	<b>Actual</b>
				<b>(Negative)</b>	
<b>Revenue:</b>					
Intergovernmental	\$ 350,000	\$ 350,000	\$ 101,460	\$ (248,540)	\$ -
Charges for services	7,222,940	7,222,940	6,950,088	(272,852)	7,544,695
Tap fees	3,532,690	3,532,690	4,582,766	1,050,076	4,082,601
Miscellaneous	90,250	90,250	227,912	137,662	491,055
Interest income	85,000	85,000	66,072	(18,928)	102,536
Bond Proceeds	-	8,355,000	8,355,000	-	-
Payment of Advances	180,000	180,000	90,000	(90,000)	180,000
Total revenue	<u>11,460,880</u>	<u>19,815,880</u>	<u>20,373,298</u>	<u>557,418</u>	<u>12,400,887</u>
<b>Expenditures:</b>					
General operations	5,027,140	5,028,720	4,808,378	220,342	4,464,045
Capital outlay	11,957,710	12,180,420	2,935,891	9,244,529	2,388,170
Debt service	1,004,040	9,359,040	9,335,299	23,741	1,533,643
Transfer out	-	-	-	-	64,000
Total expenditures	<u>17,988,890</u>	<u>26,568,180</u>	<u>17,079,568</u>	<u>9,488,612</u>	<u>8,449,858</u>
<b>Net Income (Loss), Budget Basis</b>	<u><u>\$(6,528,010)</u></u>	<u><u>\$(6,752,300)</u></u>	3,293,730	<u><u>\$ 10,046,030</u></u>	3,951,029
<b>Reconciliation from Budget Basis (non-GAAP) to GAAP:</b>					
Add:					
Capitalized assets			2,643,226		2,207,043
Principal retired			8,953,125		1,169,385
Contributions from Development			-		71,820
Subtract:					
Bond Proceeds			(8,355,000)		-
Depreciation and amortization			(1,589,447)		(1,396,645)
Loss on asset write-off			(21,943)		-
Payment of Advances			<u>(90,000)</u>		<u>(180,000)</u>
<b>Change in Net Position GAAP Basis</b>			<u><u>\$ 4,833,691</u></u>		<u><u>\$ 5,822,632</u></u>

See the accompanying independent auditors' report

**City of Louisville, Colorado**  
**Golf Course Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ending December 31, 2013**  
**(With Comparative Totals for the Year Ended December 31, 2012)**

	<b>Budget</b>		<b>Actual</b>	<b>Budget</b>	
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Variance -</b>	<b>2012</b>
				<b>Positive</b>	<b>Actual</b>
				<b>(Negative)</b>	
<b>Revenue:</b>					
Intergovernmental Revenue	\$ -	\$ -	\$ 94,110	94,110	\$ -
Miscellaneous income	180,000	180,000	132,288	(47,712)	184,551
Interest income	750	750	371	(379)	516
Transfers In	289,440	430,830	434,038	3,208	121,914
Total revenue	470,190	611,580	660,807	49,227	306,981
<b>Expenditures:</b>					
General operations	50	50	133	(83)	3,588
Capital outlay	289,440	430,830	470,221	(39,391)	121,914
Debt service	-	-	6,376	(6,376)	10,962
Payment of Advances	180,000	180,000	90,000	90,000	180,000
Total expenditures	469,490	610,880	566,730	44,150	316,464
<b>Net Income (Loss), Budget Basis</b>	<b>\$ 700</b>	<b>\$ 700</b>	<b>94,077</b>	<b>\$ 93,377</b>	<b>(9,483)</b>
<b>Reconciliation from Budget Basis (non-GAAP) to GAAP:</b>					
Add:					
Capitalized Assets			443,436		90,439
Payment of Advances			90,000		180,000
Subtract:					
Depreciation and amortization			(69,090)		(67,713)
Loss on Impairment of Assets			(1,858,009)		-
<b>Change in Net Position GAAP Basis</b>			<b><u>\$(1,299,586)</u></b>		<b><u>\$ 193,243</u></b>

See the accompanying independent auditors' report

**City of Louisville, Colorado**  
**Solid Waste & Recycling Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ending December 31, 2013**  
**(With Comparative Totals for the Year Ended December 31, 2012)**

	<b>Budget</b>		<b>Actual</b>	<b>Budget</b>	
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Variance -</b>	<b>2012</b>
				<b>Positive</b>	<b>Actual</b>
				<b>(Negative)</b>	
<b>Revenue:</b>					
Intergovernmental Revenue	\$ -	\$ -	\$ 101	\$ 101	\$ -
Charges for services	1,235,450	1,235,450	1,165,484	(69,966)	1,126,068
Miscellaneous income	41,540	41,540	14,375	(27,165)	38,012
Interest income	1,000	1,000	1,170	170	1,428
Total revenue	<u>1,277,990</u>	<u>1,277,990</u>	<u>1,181,130</u>	<u>(96,860)</u>	<u>1,165,508</u>
<b>Expenditures:</b>					
General operations	1,267,630	1,267,630	1,215,817	51,813	1,158,653
Total expenditures	<u>1,267,630</u>	<u>1,267,630</u>	<u>1,215,817</u>	<u>51,813</u>	<u>1,158,653</u>
<b>Net Income (Loss), Budget Basis</b>	<u>\$ 10,360</u>	<u>\$ 10,360</u>	<u>\$ (34,687)</u>	<u>\$ (45,047)</u>	<u>\$ 6,855</u>

See the accompanying independent auditors' report

## **INTERNAL SERVICE FUNDS**

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis.

*Building Maintenance Fund* – In 2003, the City of Louisville established the Building Maintenance Fund for the purpose of accumulating funds for the future maintenance and improvement of municipal facilities, such as the Recreation Center, City Hall, Library, City Shops, Museum, and Arts Center.

*Technology Management Fund* – In 1999, the City of Louisville established the Technology Management Fund for the purpose of accumulating funds for the replacement of computer hardware and peripherals.

*Fleet Management Fund* – In 1991, the City of Louisville established the Fleet Management Fund for the purpose of accumulating funds for the replacement of capital assets such as large machinery, heavy equipment, and vehicles.

**City of Louisville, Colorado**  
**Internal Service Funds**  
**Combining Statement of Net Position**  
**December 31, 2013**

	<b>Building Maintenance</b>	<b>Technology Management</b>	<b>Fleet Management</b>	<b>Total Internal Service Funds</b>
<b>ASSETS</b>				
Current assets:				
Cash and cash equivalents	\$ 424,589	\$ 287,383	\$ 987,325	\$ 1,699,297
Interest receivable	201	136	468	805
Total current assets	<u>424,790</u>	<u>287,519</u>	<u>987,793</u>	<u>1,700,102</u>
Noncurrent assets:				
Capital assets:				
Buildings	381,953	-	-	381,953
Machinery and equipment	-	-	2,652,027	2,652,027
Office furniture and fixtures	-	100,757	-	100,757
Accumulated depreciation	(32,415)	(79,444)	(1,610,492)	(1,722,351)
Total capital assets (net of accumulated depreciation)	<u>349,538</u>	<u>21,313</u>	<u>1,041,535</u>	<u>1,412,386</u>
Total noncurrent assets	<u>349,538</u>	<u>21,313</u>	<u>1,041,535</u>	<u>1,412,386</u>
Total assets	<u><u>774,328</u></u>	<u><u>308,832</u></u>	<u><u>2,029,328</u></u>	<u><u>3,112,488</u></u>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable	18	141	48	207
Total liabilities	<u>18</u>	<u>141</u>	<u>48</u>	<u>207</u>
<b>NET POSITION</b>				
Invested in capital assets	349,538	21,313	1,041,535	1,412,386
Unrestricted	424,772	287,378	987,745	1,699,895
Total net position	<u>\$ 774,310</u>	<u>\$ 308,691</u>	<u>\$ 2,029,280</u>	<u>\$ 3,112,281</u>

See the accompanying independent auditors' report



**City of Louisville, Colorado**  
**Internal Service Funds**  
**Combining Statement of Revenues, Expenses,**  
**and Changes in Net Position**  
**For the Year Ended December 31, 2013**

	<b>Building Maintenance</b>	<b>Technology Management</b>	<b>Fleet Management</b>	<b>Total Internal Service Funds</b>
<b>Operating revenue:</b>				
Charges for services	\$ -	\$ 47,750	\$ 240,030	\$ 287,780
Miscellaneous	17,873	-	23,336	41,209
Total operating revenue	17,873	47,750	263,366	328,989
<b>Operating expenses:</b>				
Costs of sales and services	39,756	27,739	3,041	70,536
Depreciation	16,258	5,651	171,962	193,871
Total operating expenses	56,014	33,390	175,003	264,407
<b>Operating income (loss)</b>	(38,141)	14,360	88,363	64,582
<b>Nonoperating revenues (expenses):</b>				
Interest income	907	720	2,726	4,353
Total nonoperating revenues (expenses)	907	720	2,726	4,353
Income before transfers, capital contributions	(37,234)	15,080	91,089	68,935
Transfers in (out)	-	-	-	-
Change in net position	(37,234)	15,080	91,089	68,935
<b>Net position January 1</b>	811,544	293,611	1,938,191	3,043,346
<b>Net position December 31</b>	<u>\$ 774,310</u>	<u>\$ 308,691</u>	<u>\$ 2,029,280</u>	<u>\$ 3,112,281</u>

See the accompanying independent auditors' report

**City of Louisville, Colorado**  
**Internal Service Funds**  
**Combining Statement of Cash Flows**  
**For the Year Ended December 31, 2013**

	<b>Building Maintenance</b>	<b>Technology Management</b>	<b>Fleet Management</b>	<b>Total Internal Service Funds</b>
<b>Cash flows from operating activities:</b>				
Receipts from customers and users	\$ 18,494	\$ 48,105	\$ 264,918	\$ 331,517
Payments to suppliers	(57,692)	(27,611)	(30,038)	(115,341)
Net cash provided (used) by operating activities	(39,198)	20,494	234,880	216,176
<b>Cash flows from capital and related financing activities:</b>				
Purchases of capital assets	-	(10,235)	(388,051)	(398,286)
<b>Cash flows from investing activities:</b>				
Interest earnings	907	720	2,726	4,353
Net increase (decrease) in cash and cash equivalents	(38,291)	10,979	(150,445)	(177,757)
<b>Cash and cash equivalents, January 1</b>	462,880	276,404	1,137,770	1,877,054
<b>Cash and cash equivalents, December 31</b>	<u>\$ 424,589</u>	<u>\$ 287,383</u>	<u>\$ 987,325</u>	<u>\$ 1,699,297</u>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>				
Operating income (loss)	(38,141)	\$ 14,360	\$ 88,363	\$ 64,582
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation expense	16,258	5,651	171,962	193,871
Change in assets and liabilities:				
Accounts receivable	621	355	1,552	2,528
Accounts payable	(17,936)	128	(26,997)	(44,805)
<b>Net cash provided by operating activities</b>	<u>\$ (39,198)</u>	<u>\$ 20,494</u>	<u>\$ 234,880</u>	<u>\$ 216,176</u>

See the accompanying independent auditors' report

**City of Louisville, Colorado**  
**Building Maintenance Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ending December 31, 2013**  
**(With Comparative Totals for the Year Ended December 31, 2012)**

	<b>Budget</b>		<b>Actual</b>	<b>Budget Variance - Positive (Negative)</b>	<b>2012 Actual</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>		
<b>Revenue:</b>					
Miscellaneous Income	\$ 17,500	\$ 17,500	\$ 17,873	\$ 373	\$ 17,873
Interest Income	2,500	2,500	907	(1,593)	2,736
Transfers In	-	-	-	-	170,000
Total Revenue	<u>20,000</u>	<u>20,000</u>	<u>18,780</u>	<u>(1,220)</u>	<u>190,609</u>
<b>Expenditures:</b>					
General Operations	570	570	273	297	345
Building Maintenance	-	39,500	39,483	17	120,227
Capital Outlay	25,000	25,000	-	25,000	133,834
Transfers Out	-	-	-	-	150,000
Total Expenditures	<u>25,570</u>	<u>65,070</u>	<u>39,756</u>	<u>25,314</u>	<u>404,406</u>
<b>Net Income, Budget Basis</b>	<u>\$ (5,570)</u>	<u>\$ (45,070)</u>	<u>\$ (20,976)</u>	<u>\$ 24,094</u>	<u>\$ (213,797)</u>
<b>Reconciliation from Budget Basis (non-GAAP) to GAAP:</b>					
Add:					
Capitalized Assets			-		133,834
Subtract:					
Depreciation			<u>(16,258)</u>		<u>(13,671)</u>
<b>Change in Net Position GAAP Basis</b>			<u>\$ (37,234)</u>		<u>\$ (93,634)</u>

See the accompanying independent auditors' report

**City of Louisville, Colorado**  
**Technology Management Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ending December 31, 2013**  
**(With Comparative Totals for the Year Ended December 31, 2012)**

	<b>Budget</b>		<b>Actual</b>	<b>Budget</b>	<b>2012</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Variance - Positive (Negative)</b>	<b>Actual</b>
<b>Revenue:</b>					
Charges for Services	\$ 47,750	\$ 47,750	\$ 47,750	\$ -	\$ 47,750
Interest Income	3,000	3,000	720	(2,280)	1,670
Total Revenue	<u>50,750</u>	<u>50,750</u>	<u>48,470</u>	<u>(2,280)</u>	<u>49,420</u>
<b>Expenditures:</b>					
General Operations	1,040	1,040	879	161	950
Capital Outlay	26,000	51,000	37,095	13,905	18,332
Transfers Out	-	-	-	-	150,000
Total Expenditures	<u>27,040</u>	<u>52,040</u>	<u>37,974</u>	<u>14,066</u>	<u>169,282</u>
<b>Net Income, Budget Basis</b>	<u>\$ 23,710</u>	<u>\$ (1,290)</u>	10,496	<u>\$ 11,786</u>	(119,862)
<b>Reconciliation from Budget Basis (non-GAAP) to GAAP:</b>					
Add:					
Capitalized Assets			10,235		6,910
Subtract:					
Depreciation			<u>(5,651)</u>		<u>(5,502)</u>
<b>Change in Net Position GAAP Basis</b>			<u>\$ 15,080</u>		<u>\$ (118,454)</u>

See the accompanying independent auditors' report

**City of Louisville, Colorado**  
**Fleet Management Fund**  
**Budgetary Comparison Schedule**  
**For the Year Ending December 31, 2013**  
**(With Comparative Totals for the Year Ended December 31, 2012)**

	<b>Budget</b>		<b>Actual</b>	<b>Budget</b>	<b>2012</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Variance - Positive (Negative)</b>	<b>Actual</b>
<b>Revenue:</b>					
Charges for Services	\$ 240,030	\$ 240,030	\$ 240,030	\$ -	\$ 225,620
Miscellaneous Income	-	-	23,336	23,336	-
Interest Income	10,000	10,000	2,726	(7,274)	6,397
Total Revenue	<u>250,030</u>	<u>250,030</u>	<u>266,092</u>	<u>16,062</u>	<u>232,017</u>
<b>Expenditures:</b>					
General Operations	900	900	712	188	750
Capital Outlay	333,590	425,000	390,380	34,620	255,036
Total Expenditures	<u>334,490</u>	<u>425,900</u>	<u>391,092</u>	<u>34,808</u>	<u>255,786</u>
<b>Net Income (Loss), Budget Basis</b>	<u>\$ (84,460)</u>	<u>\$ (175,870)</u>	(125,000)	<u>\$ 50,870</u>	(23,769)
<b>Reconciliation from Budget Basis (non-GAAP) to GAAP:</b>					
Add:					
Capitalized Assets			388,051		254,967
Subtract:					
Depreciation			(171,962)		(144,977)
<b>Change in Net Position GAAP Basis</b>			<u>\$ 91,089</u>		<u>\$ 86,221</u>

See the accompanying independent auditors' report



## **Statistical Section**

## STATISTICAL SECTION

This part of the City of Louisville's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

<i>Financial Trends</i> – These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	<i>Schedule 1 thru Schedule 4</i>
<i>Revenue Capacity</i> – These schedules contain information to help the reader assess the factors affecting the city's ability to generate its property and sales taxes.	<i>Schedule 5 thru Schedule 12</i>
<i>Debt Capacity</i> – These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	<i>Schedule 13 thru Schedule 16</i>
<i>Demographics</i> – These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments.	<i>Schedule 17 thru Schedule 19</i>
<i>Operating Information</i> – These schedules contain information about the city's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.	<i>Schedule 20 thru Schedule 21</i>

**Sources:** Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

**City of Louisville, Colorado**  
**Net Position by Component**  
**Last Ten Years**

*(accrual basis of accounting)*

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Governmental activities:</b>										
Net investment in capital assets										
Restricted	\$ 48,712,726	\$ 60,231,165	\$ 67,285,245	\$ 77,471,252	\$ 79,066,972	\$ 81,441,060	\$ 82,256,705	\$ 84,630,709	\$ 87,258,423	\$ 90,919,036
Unrestricted	13,143,559	8,504,909	7,439,484	10,119,161	9,689,202	9,928,902	9,803,747	14,354,176	19,077,005	17,412,130
Total governmental activities net position	11,510,685	9,805,201	8,373,151	11,449,467	12,428,646	10,508,717	12,223,531	8,624,784	5,660,045	7,556,314
	\$ 73,366,970	\$ 78,541,275	\$ 83,097,880	\$ 99,039,880	\$ 101,184,820	\$ 101,878,679	\$ 104,283,983	\$ 107,609,669	\$ 111,995,473	\$ 115,887,480
<b>Business-type activities:</b>										
Net investment in capital assets										
Restricted	\$ 58,590,616	\$ 59,371,078	\$ 59,309,326	\$ 59,598,864	\$ 60,205,842	\$ 61,015,676	\$ 61,853,539	\$ 63,658,469	\$ 65,677,762	\$ 65,794,914
Unrestricted	659,890	849,457	904,328	916,878	1,030,617	2,100,617	3,013,817	1,250,000	1,394,377	144,392
Total business-type activities net position	7,586,872	7,634,139	9,195,984	11,499,311	13,442,285	11,694,151	9,008,956	12,204,028	16,063,091	20,695,338
	\$ 66,837,378	\$ 67,854,674	\$ 69,409,638	\$ 72,015,053	\$ 74,678,744	\$ 74,810,444	\$ 73,876,312	\$ 77,112,497	\$ 83,135,230	\$ 86,634,644
<b>Primary government:</b>										
Net investment in capital assets										
Restricted	\$ 107,303,342	\$ 119,602,243	\$ 126,594,571	\$ 137,070,116	\$ 139,272,814	\$ 142,456,736	\$ 144,110,244	\$ 148,289,178	\$ 152,936,185	\$ 156,713,950
Unrestricted	13,803,449	9,354,366	8,343,812	11,036,039	10,719,819	12,029,519	12,817,564	15,604,176	20,471,382	17,556,522
Total primary government net position	19,097,557	17,439,340	17,569,135	22,948,778	25,870,931	22,202,868	21,232,487	20,828,812	21,723,136	28,251,652
	\$ 140,204,348	\$ 146,395,949	\$ 152,507,518	\$ 171,054,933	\$ 175,863,564	\$ 176,689,123	\$ 178,160,295	\$ 184,722,166	\$ 195,130,703	\$ 202,522,124



**City of Louisville, Colorado**  
**Change in Net Position**  
**Last Ten Fiscal Years**  
*(accrual basis of accounting)*

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Expenses</b>										
Governmental activities:										
General government										
Finance	\$ 3,077,874	\$ 2,378,313	\$ 2,835,926	\$ 3,591,749	\$ 2,401,899	\$ 4,743,094	\$ 3,550,174	\$ 3,813,741	\$ 4,011,182	\$ 4,314,413
Police	275,049	284,270	285,780	284,449	350,868	416,179	585,012	498,640	601,538	359,659
Public Works	3,486,421	3,555,925	3,661,022	3,820,474	4,055,906	4,059,025	3,910,810	4,125,237	4,239,732	4,401,899
Planning	2,643,078	2,877,708	3,110,188	4,655,225	4,704,093	5,015,984	4,360,451	3,881,729	4,363,102	4,682,257
Library	845,449	\$ 806,051	777,272	712,238	774,730	756,297	748,699	721,508	1,034,781	975,843
Parks and recreation	922,011	931,615	1,047,748	1,064,353	1,269,493	1,207,838	1,394,965	1,445,773	1,512,330	1,577,901
Interest on long-term debt	3,991,436	4,049,684	3,985,487	3,632,168	4,707,323	3,279,120	3,662,949	3,184,424	3,628,345	3,861,451
Total governmental activities expenses	352,833	388,999	366,358	298,680	304,554	288,172	268,997	248,327	225,414	200,664
	15,594,151	15,272,565	16,069,782	18,059,336	18,568,866	19,765,709	18,482,057	17,919,379	19,616,424	20,374,087
Business-type activities:										
Water & wastewater	5,458,361	5,490,281	5,656,769	5,489,166	6,072,983	6,318,340	7,490,716	6,235,542	6,023,493	7,094,607
Golf	1,759,640	1,721,051	1,839,518	2,002,573	1,947,782	1,832,132	414,501	126,305	113,738	102,384
Solid Waste & Recycling	-	-	-	-	-	591,374	1,021,794	1,095,806	1,158,653	1,215,817
Total business-type activities	7,218,001	7,211,332	7,496,287	7,491,739	8,020,765	8,741,846	8,927,011	7,457,653	7,295,884	8,412,808
<b>99</b>										
Total primary government expenses	\$ 22,812,152	\$ 22,483,897	\$ 23,566,069	\$ 25,551,075	\$ 26,589,631	\$ 28,507,555	\$ 27,409,068	\$ 25,377,032	\$ 26,912,308	\$ 28,786,895
<b>Program Revenues</b>										
Governmental activities:										
Charges for services:										
General government	\$ 63,024	\$ 64,307	\$ 42,359	\$ 67,016	\$ 206,239	\$ 126,540	\$ 87,300	\$ 136,345	\$ 132,240	\$ 214,871
Police	143,710	147,579	167,320	187,057	130,692	137,265	194,730	212,851	180,802	164,233
Public works	-	106,566	131,764	195,694	878,496	387,877	60,049	23,720	125,353	48,037
Planning	638,450	723,038	684,857	496,868	701,694	600,428	413,494	515,136	753,731	1,089,437
Library	29,840	34,311	34,563	34,708	82,688	72,264	59,848	63,972	111,829	129,121
Parks and recreation	1,659,610	1,624,792	1,671,585	1,700,446	1,793,316	1,728,499	1,728,663	1,816,161	2,072,765	2,479,965
Operating grants and contributions	792,478	758,154	783,739	1,077,782	689,551	720,388	695,752	798,576	1,033,901	1,090,656
Capital grants and contributions	179,478	213,235	202,624	320,168	3,273,201	346,603	1,925,542	2,021,184	347,156	229,807
Total governmental activities program revenues	3,506,590	3,671,982	3,718,811	4,079,739	7,755,877	4,119,864	5,165,378	5,587,945	4,757,777	5,446,127
Business-type activities:										
Charges for services:										
Water & wastewater	\$ 4,997,833	\$ 4,486,572	\$ 5,257,815	\$ 6,118,479	\$ 6,179,278	\$ 6,836,012	\$ 5,829,653	\$ 6,070,081	\$ 6,630,588	\$ 7,026,998
Golf	1,899,107	1,851,256	1,842,664	1,904,731	1,889,647	1,921,332	1,749,153	217,551	187,791	96,057
Solid Waste & Recycling	-	-	-	-	-	-	605,476	1,060,460	1,128,108	1,179,859
Capital grants and contributions	981,971	244,272	1,005,669	582,828	1,409,453	1,221,728	492,695	461,473	2,686,553	4,778,437
Total business-type activities program revenues	7,878,911	6,582,100	8,106,148	8,606,038	9,478,378	9,979,072	8,676,977	7,809,565	10,633,040	13,081,351
Total primary government program revenues	\$ 11,385,501	\$ 10,254,082	\$ 11,824,959	\$ 12,685,777	\$ 17,234,255	\$ 14,098,936	\$ 13,842,355	\$ 13,397,510	\$ 15,390,817	\$ 18,527,478

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Net (Expense)/Revenue</b>										
Governmental activities	\$ (11,922,169)	\$ (11,553,754)	\$ (11,990,043)	\$ (10,303,459)	\$ (14,449,002)	\$ (14,600,330)	\$ (12,894,112)	\$ (13,161,602)	\$ 6,253,064	\$ (14,927,960)
Business-type activities	(635,901)	894,816	1,109,751	1,986,639	1,958,307	(64,869)	(1,117,446)	3,175,387	13,156,220	4,668,543
Total primary government expenses	<u>\$ (12,558,070)</u>	<u>\$ (10,658,938)</u>	<u>\$ (10,880,292)</u>	<u>\$ (8,316,820)</u>	<u>\$ (12,490,695)</u>	<u>\$ (14,665,199)</u>	<u>\$ (14,011,558)</u>	<u>\$ (9,986,215)</u>	<u>\$ 19,409,284</u>	<u>\$ (10,259,417)</u>
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Taxes:										
Property taxes	\$ 2,532,390	\$ 2,546,533	\$ 2,605,176	\$ 2,612,945	\$ 2,845,816	\$ 2,851,029	\$ 2,994,253	\$ 3,004,038	\$ 2,950,576	\$ 2,982,528
Sales tax	9,922,070	10,432,646	9,189,242	9,487,467	9,417,834	9,087,268	8,800,525	9,086,243	9,747,679	10,441,013
Use tax	1,195,430	1,109,727	1,033,177	1,392,689	1,159,510	964,036	1,049,104	2,184,874	3,012,454	3,808,835
Franchise tax	858,503	940,659	988,912	997,982	1,142,519	953,819	998,022	1,013,415	994,447	1,059,412
Other tax	493,305	503,675	528,472	550,097	541,135	483,320	482,861	492,680	558,755	640,578
General intergovernmental revenue	144,364	131,344	138,710	131,461	123,434	154,825	165,274	61,753	65,192	78,281
Investment earnings	628,297	523,386	822,472	912,032	1,203,708	482,370	297,238	192,355	148,160	83,472
Miscellaneous	110,909	476,089	254,583	97,422	95,982	253,519	448,132	387,926	329,811	310,051
Gain on sales of asset	-	-	921,904	-	-	-	-	-	-	-
Transfers	59,095	64,000	64,000	64,000	64,000	64,000	64,000	64,000	(57,914)	(434,038)
Total governmental activities	<u>15,944,363</u>	<u>16,728,059</u>	<u>16,546,648</u>	<u>16,246,095</u>	<u>16,593,938</u>	<u>15,294,186</u>	<u>15,299,409</u>	<u>16,487,284</u>	<u>17,749,160</u>	<u>18,970,132</u>
Business-type activities :										
Investment earnings	267,906	186,480	509,213	682,776	769,384	260,568	186,587	116,781	104,480	67,613
Miscellaneous	-	-	-	-	-	-	60,724	8,020	-	151,050
Transfers	(59,095)	(64,000)	(64,000)	(64,000)	(64,000)	(64,000)	(64,000)	(64,000)	57,914	434,038
Total business-type activities	<u>208,811</u>	<u>122,480</u>	<u>445,213</u>	<u>618,776</u>	<u>705,384</u>	<u>196,568</u>	<u>183,311</u>	<u>60,801</u>	<u>162,394</u>	<u>652,701</u>
Total primary government	<u>\$ 16,153,174</u>	<u>\$ 16,850,539</u>	<u>\$ 16,991,861</u>	<u>\$ 16,864,871</u>	<u>\$ 17,299,322</u>	<u>\$ 15,490,754</u>	<u>\$ 15,482,720</u>	<u>\$ 16,548,085</u>	<u>\$ 17,911,554</u>	<u>\$ 19,622,833</u>
<b>Extraordinary Item</b>										
Governmental activities:										
Loss on impairment of assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (150,161)
Total governmental activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(150,161)</u>
Business-type activities:										
Loss on impairment of assets	-	-	-	-	-	-	-	-	-	(1,821,826)
Total business-type activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,821,826)</u>
Total primary government	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,971,987)</u>
<b>Change in Net Position</b>										
Governmental activities	\$ 4,022,194	\$ 5,174,305	\$ 4,556,605	\$ 5,942,636	\$ 2,144,936	\$ 693,857	\$ 2,405,297	\$ 3,325,683	\$ 24,002,225	\$ 3,892,011
Business-type activities	(427,090)	1,017,296	1,554,964	2,605,415	2,663,691	131,699	(934,135)	3,236,188	13,318,614	3,499,418
Total primary government	<u>\$ 3,595,104</u>	<u>\$ 6,191,601</u>	<u>\$ 6,111,569</u>	<u>\$ 8,548,051</u>	<u>\$ 4,808,627</u>	<u>\$ 825,555</u>	<u>\$ 1,471,162</u>	<u>\$ 6,561,871</u>	<u>\$ 37,320,839</u>	<u>\$ 7,391,429</u>

**City of Louisville, Colorado**  
**Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
*(modified accrual basis of accounting)*

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011 (1)	2012	2013
<b>General Fund</b>										
Reserved	\$ 59,908	\$ 64,324	\$ 630,573	\$ 745,360	\$ 770,140	\$ 793,766	\$ 729,274			
Unreserved	2,820,289	3,374,861	3,050,120	4,613,436	3,893,555	3,610,562	4,372,114			
Nonspendable								155,739	184,727	70,552
Restricted								641,687	816,524	761,218
Assigned								160,664	14,784	61,239
Unassigned								5,374,697	3,241,366	5,597,320
Total general fund	\$ 2,880,197	\$ 3,439,185	\$ 3,680,693	\$ 5,358,796	\$ 4,663,695	\$ 4,404,328	\$ 5,101,388	\$ 6,332,787	\$ 4,257,401	\$ 6,490,329
<b>All Other Governmental Funds</b>										
Reserved	\$ 13,633,687	\$ 8,654,909	\$ 6,983,206	\$ 9,554,650	\$ 9,236,301	\$ 9,290,495	\$ 9,230,903			
Unreserved, reported in:										
Special revenue funds	668,203	1,001,822	1,471,179	2,148,344	2,219,022	2,057,673	2,121,948			
Capital projects funds	6,495,912	4,244,142	2,573,119	3,042,767	4,136,295	3,084,324	2,953,722			
Nonspendable								370,597	397,021	424,221
Restricted								13,341,892	17,863,460	16,226,691
Committed								1,493,579	1,206,684	1,003,273
Total all other governmental funds	\$ 20,797,802	\$ 13,900,873	\$ 11,027,504	\$ 14,745,761	\$ 15,591,618	\$ 14,432,492	\$ 14,306,573	\$ 15,206,068	\$ 19,467,165	\$ 17,654,185

**Notes:**

(1) Beginning in 2011, GASB 54 requires governmental fund balances to be reported as Nonspendable, Restricted, Assigned or Unassigned. See Note 1 (D)(10) to the Financial Statements for more information.

**City of Louisville, Colorado**  
**Changes in Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
*(modified accrual basis of accounting)*

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Revenues</b>										
Taxes (see Schedule 5)	\$ 15,001,698	\$ 15,533,240	\$ 14,344,979	\$ 15,041,180	\$ 15,106,814	\$ 14,339,473	\$ 14,324,765	\$ 15,781,250	\$ 17,263,911	\$ 18,932,366
Licenses, fees, and permits	796,104	870,857	764,715	1,488,464	1,068,193	648,054	741,916	1,335,204	1,960,400	2,048,937
Intergovernmental	1,045,239	961,157	1,097,175	4,014,245	1,169,212	2,776,119	2,988,264	1,444,060	2,285,745	1,396,933
Charges for services	1,519,939	1,884,514	1,641,451	1,537,770	1,512,980	1,570,638	1,731,231	1,817,124	1,850,102	1,849,629
Fines and forfeits	181,876	201,908	221,818	170,643	186,993	239,895	264,006	235,246	228,212	223,608
Miscellaneous	921,200	895,517	3,034,285	1,545,173	1,266,937	748,691	719,792	506,154	462,477	525,964
Total Revenues	19,466,056	20,347,193	21,104,423	23,797,475	20,311,129	20,322,870	20,769,974	21,119,038	24,050,847	24,977,437
<b>Expenditures</b>										
General government	3,044,543	2,246,009	2,646,874	2,967,282	3,567,685	3,489,698	3,338,867	3,561,915	3,647,248	4,051,245
Finance	271,900	280,176	281,500	284,252	348,696	400,688	588,651	505,486	609,416	358,580
Police	3,379,625	3,460,502	3,579,830	3,765,004	3,867,488	3,945,723	3,940,528	4,108,953	4,276,707	4,419,408
Public works	2,262,036	2,273,114	2,311,702	2,376,136	2,602,796	2,774,586	1,874,229	1,873,727	1,974,790	2,073,155
Planning	845,199	805,010	776,036	714,330	777,449	755,699	757,086	722,348	1,025,080	907,443
Library services	830,345	839,301	936,909	1,062,772	1,103,086	1,052,295	1,343,929	1,394,596	1,450,203	1,499,791
Parks and recreation	3,156,211	3,010,774	3,029,910	2,843,613	2,499,768	2,398,776	2,586,552	2,691,679	2,737,470	2,858,014
Non-capitalized budget basis capital	83,909	359,082	782,973	510,430	20,702	1,275,958	370,620	(710,612)	-	-
Net Capital outlay	12,899,952	12,604,128	8,496,361	2,994,324	4,468,855	5,030,412	4,290,082	3,762,430	5,242,601	6,451,854
Bond issuance costs	114,367	-	-	-	-	-	-	-	-	-
Debt service:										
Principal	650,000	620,000	635,000	655,000	670,000	690,000	710,000	730,000	755,000	1,310,000
Interest	352,833	342,893	323,189	291,973	297,847	281,465	262,291	241,621	218,708	193,958
Total Expenditures	27,890,920	26,840,989	23,800,284	18,465,116	20,224,372	22,095,300	20,062,835	18,882,143	21,937,223	24,123,448
Excess of revenues over/(under) expenditures	(8,424,864)	(6,493,796)	(2,695,861)	5,332,359	86,757	(1,772,430)	707,139	2,236,895	2,113,624	853,989
<b>Other Financing Sources (Uses)</b>										
Bonds issued	7,405,000	-	-	-	-	-	-	-	-	-
Sale of fixed assets	-	-	-	-	-	389,934	-	-	-	-
Refunding bonds issued	31,368	-	-	-	-	-	-	-	-	-
Transfers in	309,600	590,873	89,369	96,561	1,983,933	1,480,140	298,287	887,870	5,165,074	1,403,663
Transfers out	(250,505)	(435,018)	(25,369)	(32,561)	(1,919,933)	(1,516,140)	(434,287)	(993,870)	(5,092,988)	(1,837,701)
Total other financing sources (uses)	7,495,463	155,855	64,000	64,000	64,000	353,934	(136,000)	(106,000)	72,086	(434,038)
Net change in fund balance	\$ (929,401)	\$ (6,337,941)	\$ (2,631,861)	\$ 5,396,359	\$ 150,757	\$ (1,808,429)	\$ 571,139	\$ 2,130,895	\$ 2,185,710	\$ 419,951
Debt service as a percentage of noncapital expenditures	7%	7%	6%	6%	6%	6%	6%	6%	6%	9%

**City of Louisville, Colorado**  
**Tax Revenues by Source, Governmental Funds**  
**Last Ten Fiscal Years**  
*(modified accrual basis of accounting)*

<b>Fiscal Year</b>	<b>Property Tax</b>	<b>Sales Tax</b>	<b>Use Tax</b>	<b>Franchise Tax</b>	<b>Lodging Tax</b>	<b>Other Tax</b>	<b>Total</b>
2004	2,532,390	9,922,070	1,195,430	858,503	277,029	216,276	15,001,698
2005	2,546,533	10,432,646	1,109,727	940,659	297,122	206,553	15,533,240
2006	2,605,176	9,189,242	1,033,177	988,912	329,954	198,518	14,344,979
2007	2,612,945	9,487,467	1,392,689	997,982	356,701	193,396	15,041,180
2008	2,845,816	9,417,834	1,159,510	1,142,519	369,019	172,116	15,106,814
2009	2,851,029	9,087,268	964,036	953,819	297,912	185,409	14,339,473
2010	2,994,253	8,800,525	1,049,104	998,022	304,674	178,187	14,324,765
2011	3,004,038	9,086,243	2,184,874	1,013,415	335,556	157,124	15,781,250
2012	2,950,576	9,747,679	3,012,454	994,447	365,883	192,872	17,263,911
2013	2,982,528	10,441,013	3,808,835	1,059,412	380,033	260,545	18,932,366
<b>Change</b> 2004-2013	17.78%	5.23%	218.62%	23.40%	37.18%	20.47%	26.20%

**City of Louisville, Colorado**  
**Assessed Value and Estimated Actual Value of Taxable Property**  
**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Assesed Commercial Property</b>	<b>Assesed Residential Property</b>	<b>Assesed Industrial Property</b>	<b>Assesed Other Property</b>	<b>Less: Assesed Tax-Exempt Property</b>	<b>Total Taxable Assessed Value</b>	<b>Total Direct Tax Rate</b>
2004	131,149,472	163,269,580	77,369,050	15,054,055	25,192,640	386,842,157	5.184
2005	137,015,460	167,946,830	72,939,990	14,813,515	40,465,620	392,715,795	6.710
2006	123,755,980	169,250,290	86,315,640	15,065,590	40,587,330	394,387,500	6.710
2007	137,832,080	182,113,910	87,164,810	16,396,625	42,906,540	423,507,425	6.710
2008	137,287,590	183,113,180	90,622,040	15,843,260	46,629,180	426,866,070	6.710
2009	147,081,680	191,231,710	90,613,200	18,403,610	51,468,920	447,330,200	6.710
2010	153,880,580	192,462,080	77,368,280	23,055,020	51,467,670	446,765,960	6.710
2011	163,845,209	197,030,711	48,727,078	28,285,269	45,656,047	437,888,267	6.710
2012	166,161,163	199,468,374	47,261,134	28,715,436	48,176,664	441,606,107	6.710
2013	165,630,079	211,996,360	48,186,748	30,548,297	51,333,789	456,361,484	6.710

<b>Fiscal Year</b>	<b>Actual Commercial Property</b>	<b>Actual Residential Property</b>	<b>Actual Industrial Property</b>	<b>Actual Other Property</b>	<b>Less: Actual Tax-Exempt Property</b>	<b>Total Taxable Actual Value</b>
2004	452,237,900	2,051,023,900	266,789,700	51,909,910	86,869,295	2,821,961,410
2005	472,465,000	2,109,644,400	251,516,900	51,080,965	139,535,895	2,884,707,265
2006	426,742,300	2,126,160,300	297,639,700	51,950,600	139,959,695	2,902,492,900
2007	475,280,800	2,287,757,100	300,567,800	56,539,600	161,219,395	3,120,145,300
2008	473,403,050	2,300,345,600	312,489,200	54,629,800	175,040,095	3,140,867,650
2009	507,174,600	2,402,389,600	312,458,400	63,461,400	188,688,195	3,285,484,000
2010	530,619,400	2,417,846,000	266,786,300	79,500,300	188,611,395	3,294,752,000
2011	564,989,981	2,475,260,982	168,024,445	97,535,388	168,571,842	3,305,810,796
2012	574,414,786	2,505,953,508	163,923,627	99,026,401	177,038,426	3,343,318,322
2013	571,141,728	2,663,281,227	166,161,227	105,388,468	188,010,573	3,505,972,650

**Source:** Boulder County Assessor's Office

**City of Louisville, Colorado  
Property Tax Rates and Tax Levies  
Direct and Overlapping Governments  
Last Ten Fiscal Years**

**Mill Levies**

Levy Year	Collection Year	City of Louisville			Boulder Valley Schools	Boulder County	Urban Drainage and Flood Control	Louisville Fire District (1)	Northern Colorado Water	Total
		Operating	Debt Service (2)	Total Direct						
2003	2004	5.184	1.526	6.710	34.807	17.621	0.521	3.186	1.000	63.845
2004	2005	5.184	1.526	6.710	38.524	20.087	0.531	3.186	1.000	70.038
2005	2006	5.184	1.526	6.710	38.255	20.088	0.533	3.186	1.000	69.772
2006	2007	5.184	1.526	6.710	37.423	21.267	0.538	3.186	1.000	70.124
2007	2008	5.184	1.526	6.710	39.564	22.467	0.542	6.686	1.000	76.969
2008	2009	5.184	1.526	6.710	37.865	22.467	0.507	6.686	1.000	75.235
2009	2010	5.184	1.526	6.710	39.113	23.067	0.528	6.686	1.000	77.104
2010	2011	5.184	1.526	6.710	43.838	24.645	0.523	6.686	1.000	83.402
2011	2012	5.184	1.526	6.710	45.547	24.645	0.599	6.686	1.000	85.187
2012	2013	5.184	1.526	6.710	45.372	25.120	0.608	6.686	1.000	85.496

**Tax Levies**

Levy Year	Collection Year	City of Louisville			Boulder Valley Schools	Boulder County	Urban Drainage and Flood Control	Louisville Fire District (1)	Northern Colorado Water	Total
		Operating	Debt Service (2)	Total Direct						
2003	2004	1,983,161	583,778	2,566,939	127,737,793	94,356,356	1,746,793	1,275,228	4,035,582	232,302,469
2004	2005	2,005,390	590,321	2,595,711	125,759,422	100,896,978	1,777,428	1,283,405	4,352,070	237,255,335
2005	2006	2,035,839	599,284	2,635,123	133,570,367	108,354,720	1,855,614	1,299,537	4,538,972	252,853,617
2006	2007	2,044,505	601,835	2,646,340	140,792,830	112,630,364	1,902,890	2,742,042	4,593,229	265,909,530
2007	2008	2,194,163	645,890	2,840,053	150,815,108	124,745,065	1,993,702	2,930,608	5,062,766	289,033,192
2008	2009	2,211,265	650,924	2,862,189	156,938,470	129,119,905	2,100,059	2,950,539	5,416,619	300,038,705
2009	2010	2,315,673	681,658	2,997,331	167,976,116	137,564,655	2,124,166	3,109,216	5,347,290	319,800,432
2010	2011	2,316,565	681,921	2,998,486	183,864,077	142,564,068	2,176,881	3,106,029	5,322,753	340,714,215
2011	2012	2,289,286	673,891	2,963,177	186,936,602	139,022,459	2,445,639	3,083,219	5,173,950	340,298,937
2012	2013	2,353,928	692,919	3,046,847	190,187,744	144,037,143	2,532,520	3,166,281	5,273,967	348,937,421

**Notes:**

(1) The Fire District passed a tax levy increase in 2005.

(2) The City of Louisville passed a tax levy increase in 2003 for the new library building debt service.

**Source:** Boulder County Assessor's Office (Summary of Levies)

**City of Louisville, Colorado  
Principal Property Tax Payers  
Current Year and Ten Years Ago**

<b>Taxpayer</b>	<b>Type of Business</b>	<b>2004 Assessed Valuation</b>	<b>Rank</b>	<b>Percentage of Total Assessed Valuation</b>
Storage Technology Corporation	Electronic Manufacturing	\$ 26,494,980	1	7.1%
Neodata Services Inc.	Business Services	6,443,800	2	1.7%
Maxtor Realty Corporation	Electronic Manufacturing	5,344,960	3	1.4%
Mack Cali Realty LP	Retail	4,843,610	4	1.3%
EDS Information systems	Business Services	3,725,950	5	1.0%
Piedra Properties LLP	Business Services	3,281,700	6	0.9%
Fund IX Fund X Fund	Business Services	3,190,000	7	0.9%
Lou Court LLC	Lodging	3,062,400	8	0.8%
	Totals	<u>\$ 56,387,400</u>		<u>15.1%</u>

<b>Taxpayer</b>	<b>Type of Business</b>	<b>2013 Assessed Valuation</b>	<b>Rank</b>	<b>Percentage of Total Assessed Valuation</b>
PHILLIPS 66 COMPANY	Energy Training and R&D Center	\$8,487,691	1	1.7%
FFI CO COAL CREEK LLC (Medronics)	Electromedical	7,370,959	2	1.5%
NEODATA SERVICES	Business Services	5,857,594	4	1.2%
INFINITE FUNDING COMPANY LLC	Commercial Real Estate	4,482,791	5	0.9%
COLORADO TECH LLC	Technology	4,434,854	6	0.9%
SOMERSET LIMITED PARTNERSHIP	Commercial Real Estate	4,381,842	7	0.9%
BOULDER ROAD LLC	Unknown	3,883,303	8	0.8%
VTR AVISTA MOB LLC	Medical Offices	3,868,890	9	0.8%
LEXINGTON	Commercial Real Estate	3,524,312	10	0.7%
	Totals	<u>\$ 46,292,236</u>		<u>7.4%</u>

**Source:** Boulder County Assessor's Office



**City of Louisville, Colorado**  
**Property Tax Levies and Collections**  
**Last Ten Fiscal Years**

Levy Year	Collection Year	Total Tax Levy	Total Current Tax Collections	Urban Revitalization		City of Louisville		Ratio of Current Tax Collections to Total Tax Levy	City of Louisville		Ratio of Total Tax Collections to Total Tax Levy
				District Current Tax Collections	District Current Tax Collections	Current Tax Collections	Delinquent Tax Collections (1)		Delinquent Tax Collections (1)	City of Louisville Total Tax Collections	
2003	2004	2,566,939	2,532,390			2,532,390	1,190	98.65%	1,190	2,533,580	98.70%
2004	2005	2,595,711	2,546,533			2,546,533	2,547	98.11%	2,547	2,549,080	98.20%
2005	2006	2,635,123	2,605,175			2,605,175	2,605	98.86%	2,605	2,607,780	98.96%
2006	2007	2,646,340	2,612,945			2,612,945	7,463	98.74%	7,463	2,620,408	99.02%
2007	2008	2,840,053	2,845,816		18,439	2,827,377	11,819	99.55%	11,819	2,839,196	99.97%
2008	2009	2,862,189	2,851,029		23,529	2,827,500	1,215	98.79%	1,215	2,828,715	98.83%
2009	2010	2,997,331	2,992,336		49,106	2,943,230	1,918	98.20%	1,918	2,945,148	98.26%
2010	2011	2,998,486	3,000,678		43,310	2,957,368	3,360	98.63%	3,360	2,960,728	98.74%
2011	2012	2,998,486	3,000,627		57,253	2,943,374	3,411	99.33%	3,411	2,946,785	98.28%
2012	2013	3,046,847	3,043,354		64,110	2,979,244	3,284	97.78%	3,284	2,982,528	97.89%

**Notes:**

(1) Delinquent taxes reported by collection year because they are not available by levy year

**City of Louisville, Colorado**  
**Sales Taxes Collected by Category**  
**Last Ten Fiscal Years**

Category	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Agriculture	\$ 11,418	\$ 11,126	\$ 9,864	\$ 10,288	\$ 14,692	\$ 15,483	\$ 12,386	\$ 13,074	\$ 14,889	\$ 41,447
Construction	31,506	35,048	23,958	28,251	23,760	9,991	15,463	12,491	16,189	47,163
Manufacturing	91,997	451,986	108,794	166,047	109,387	127,496	245,502	298,269	437,847	306,078
Trans/Comm/Utilities	1,272,749	1,449,739	1,472,573	1,525,889	1,611,432	1,398,287	1,436,159	1,421,166	1,390,636	1,432,477
Wholesale	44,598	63,981	108,836	143,823	165,215	107,963	119,230	152,813	163,738	172,867
Home Improvements Centers	2,064,371	2,010,061	1,336,629	1,259,846	1,163,491	1,112,998	1,142,131	1,148,411	1,292,138	1,457,538
General Merchandise	2,406,894	2,407,114	1,872,976	1,969,137	1,863,152	1,799,936	983,285	921,223	835,033	902,314
Grocery Stores	1,764,012	1,634,397	1,601,653	1,658,008	1,708,054	1,763,143	1,744,867	1,730,125	1,837,916	2,068,412
Automotive	189,245	188,766	115,704	142,765	90,709	47,134	49,000	53,055	60,459	65,273
Apparel/Accessory	1,605	1,672	15,054	15,471	21,067	37,480	36,736	53,918	61,782	68,029
Furniture	42,830	56,786	80,320	105,467	129,802	101,337	148,801	172,292	196,291	227,122
Food/Beverage	1,291,388	1,252,591	1,162,927	1,199,902	1,232,279	1,253,253	1,394,376	1,552,647	1,709,567	1,862,344
Miscellaneous	101,528	64,799	530,644	398,081	311,289	254,702	308,912	372,326	560,135	471,712
Financial/Insurance	83,711	124,017	165,818	194,936	238,279	304,251	278,138	311,410	215,114	267,178
Services	536,715	680,988	583,492	576,696	676,867	708,817	814,047	895,681	958,919	1,024,827
Total	\$9,934,567	\$10,433,071	\$9,189,242	\$9,394,607	\$9,359,475	\$9,042,271	\$8,729,033	\$9,108,901	\$9,750,653	\$10,414,781

**City of Louisville, Colorado**  
**Direct and Overlapping Sales Tax Rates**  
**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>City of Louisville</b>	<b>County of Boulder</b>	<b>State of Colorado</b>	<b>Regional Transportation District</b>	<b>Cultural District</b>	<b>Football District</b>	<b>Total</b>
2004	3.375%	0.55%	2.90%	0.60%	0.10%	0.10%	7.625%
2005	3.375%	0.65%	2.90%	1.00%	0.10%	0.10%	8.125%
2006	3.375%	0.65%	2.90%	1.00%	0.10%	0.10%	8.125%
2007	3.375%	0.65%	2.90%	1.00%	0.10%	0.10%	8.125%
2008	3.375%	0.65%	2.90%	1.00%	0.10%	0.10%	8.125%
2009	3.500% (1)	0.65%	2.90%	1.00%	0.10%	0.10%	8.250%
2010	3.500%	0.65%	2.90%	1.00%	0.10%	0.10%	8.250%
2011	3.500%	0.80%	2.90%	1.00%	0.10%	0.10%	8.400%
2012	3.500%	0.80%	2.90%	1.00%	0.10%	0.00% (2)	8.300%
2013	3.500%	0.80%	2.90%	1.00%	0.10%	0.00%	8.300%

**Notes:**

(1) City of Louisville sales tax rate includes voter approved Historic Preservation tax of 0.125% effective January 1, 2009

**City of Louisville**  
**Sales Tax Revenue Payers by Industry**  
**Current Year and Nine Years Ago**

Taxpayer	Fiscal Year 2004				Fiscal Year 2013			
	Number of Filers (1)	Percent of Total	Sales Tax Revenue	Percent of Total	Number of Filers	Percent of Total	Sales Tax Revenue	Percent of Total
Agriculture	N/A	N/A	\$	0.1%	28	1.3%	\$	0.4%
Construction	N/A	N/A	31,506	0.3%	126	5.8%	47,163	0.5%
Manufacturing	N/A	N/A	91,997	0.9%	188	8.7%	306,078	2.9%
Trans/Comm/Utilities	N/A	N/A	1,272,749	12.8%	153	7.1%	1,432,477	13.8%
Wholesale	N/A	N/A	44,598	0.4%	114	5.3%	172,867	1.7%
Home Improvements Centers	N/A	N/A	2,064,371	20.8%	99	4.6%	1,457,538	14.0%
General Merchandise	N/A	N/A	2,406,894	24.2%	24	1.1%	902,314	8.7%
Grocery Stores	N/A	N/A	1,764,012	17.8%	47	2.2%	2,068,412	19.9%
Automotive	N/A	N/A	189,245	1.9%	5	0.2%	65,273	0.6%
Apparel/Accessory	N/A	N/A	1,605	0.0%	58	2.7%	68,029	0.7%
Furniture	N/A	N/A	42,830	0.4%	64	3.0%	227,122	2.2%
Eating/Drinking	N/A	N/A	1,291,388	13.0%	94	4.3%	1,862,344	17.9%
Miscellaneous	N/A	N/A	101,528	1.0%	334	15.4%	471,712	4.5%
Financial/Insurance	N/A	N/A	83,711	0.8%	223	10.3%	267,178	2.6%
Services	N/A	N/A	536,715	5.4%	610	28.1%	1,024,827	9.8%
Totals			\$ 9,934,567	100%	2,167	100%	\$ 10,414,781	100%

**Notes:**

(1) Number of filers was not available for year 2004. Also due to confidentiality issues, the names of the ten largest revenue payers are not available. The categories presented are intended to provide alternative information regarding the sources of the City's revenue.

**City of Louisville, Colorado**  
**Ratios of Outstanding Debt by Type**  
**Last Ten Fiscal Years**

Fiscal Year	Governmental Activities			Business-type Activities				Total Primary Government	Ratio of G.O. Bonds to Actual Property Value	Net G.O. Bonds Per Capita	Ratio of Total Debt Per Capita	Ratio of Total Debt to Total Personal Income
	General Obligation Bonds	Sales Tax Refunding Revenue Bonds	General Obligation Bonds	Water Bonds Payable	Windy Gap Lease Payments							
2004	7,085,000	3,500,000	1,820,000	17,327,500	564,563			30,297,063	0.31	473	1,608	3.75
2005	6,820,000	3,145,000	1,615,000	16,408,333	535,188			28,523,521	0.29	451	1,526	3.26
2006	6,545,000	2,785,000	1,405,000	15,453,333	504,000			26,692,333	0.25	422	1,416	2.89
2007	6,260,000	2,415,000	1,190,000	14,458,333	470,812			24,794,145	0.24	393	1,307	2.54
2008	5,965,000	2,040,000	970,000	13,422,500	435,562			22,833,062	0.21	359	1,181	2.36
2009	5,660,000	1,655,000	740,000	12,337,500	398,093			20,790,593	0.19	329	1,067	2.22
2010	5,345,000	1,260,000	-	11,210,833	358,219			18,174,052	0.16	291	989	1.95
2011	5,020,000	855,000	-	10,029,166	315,781			16,219,947	0.15	264	854	1.65
2012	4,685,000	435,000	-	8,905,000	270,563			14,295,563	0.14	252	769	N/A
2013	3,825,700	-	-	8,355,000	222,437			12,403,137	0.11	201	652	N/A

**Notes:**

In 2004, the City incurred new debt for the new library building.

**City of Louisville, Colorado**  
**Computation of Direct and Overlapping Bonded Debt**  
**As of December 31, 2013**

<b>Jurisdiction (1)</b>	<b>Net General Obligation Bonded Debt Outstanding</b>	<b>Percentage Applicable to Louisville (2)</b>	<b>Amount Applicable to Louisville</b>
Direct:			
City of Louisville	\$ 3,825,700	100.00%	\$ 3,825,700
Overlapping:			
Boulder Valley School District No. RE-2	337,495,000	9.31%	31,412,908
Colorado Tech Center Metropolitan District	9,175,000	100.00%	9,175,000
Northern Colorado Water Conservancy District	4,387,673	3.19%	139,932
Takoda Metro District	8,813,659	100.00%	8,813,659
Subtotal Overlapping Debt	359,871,332		49,541,499
Total direct and overlapping debt	\$ 363,697,032		\$ 53,367,199

**Notes:**

- (1) The following entities also overlap the City but have no general obligation debt outstanding:  
Louisville Fire District, Boulder County, and Urban Drainage and Flood Control District.
- (2) Percentage Applicable to Louisville is Louisville's total assessed valuation as a percentage of the jurisdiction's total assessed valuation.

**Sources:** Individual taxing entities

**City of Louisville, Colorado**  
**Computation of Legal Debt Margin**  
**Last Ten Fiscal Years**

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Total estimated actual value	2,821,961,410	2,884,707,265	2,902,492,900	3,120,145,300	3,140,867,650	3,285,484,000	3,294,752,000	3,305,810,796	3,363,669,938	3,569,232,380
Debt limit: 3% of actual value	84,658,842	86,541,218	87,074,787	93,604,359	94,226,030	98,564,520	98,842,560	99,174,324	100,910,098	107,076,971
Total net amount of debt applicable to debt limit	8,905,000	8,435,000	7,950,000	7,450,000	6,935,000	6,400,000	5,345,000	5,020,000	4,685,000	3,825,700
Legal debt margin	75,753,842	78,106,218	79,124,787	86,154,359	87,291,030	92,164,520	93,497,560	94,154,324	96,225,098	103,251,271
Total net debt applicable to the limit	10.52%	9.75%	9.13%	7.96%	7.36%	6.49%	5.41%	5.06%	4.64%	3.57%

**City of Louisville, Colorado  
Pledged-Revenue Coverage  
Last Ten Fiscal Years**

		<b>Water Revenue Bonds</b>						<b>Coverage</b>
<b>Fiscal Year</b>		<b>Gross Utility Revenue (1)</b>	<b>Less: Operating Expenses (2)</b>	<b>Net Available Revenue</b>	<b>Debt Service</b>		<b>Total</b>	
					<b>Principal</b>	<b>Interest</b>		
2004	(3)	5,008,382	3,340,860	1,667,522	973,952	795,640	1,769,592	0.94
2005		6,449,964	3,351,083	3,098,881	948,542	700,527	1,649,069	1.88
2006		7,210,520	3,538,451	3,672,069	986,188	660,287	1,646,475	2.23
2007		8,271,507	3,517,303	4,754,204	1,028,188	616,359	1,644,547	2.89
2008		8,827,124	4,125,973	4,701,151	1,073,167	584,204	1,657,371	2.84
2009		6,596,224	4,254,750	2,341,474	1,122,469	516,902	1,639,371	1.43
2010		6,717,820	4,181,847	2,535,973	1,166,542	470,095	1,636,637	1.55
2011	(4)	9,431,157	4,480,936	4,950,221	1,224,105	415,786	1,639,891	3.02
2012		11,910,125	4,645,172	7,264,953	1,169,385	364,256	1,533,641	4.74
2013	(5)	11,675,836	5,101,043	6,574,793	615,000	321,244	936,244	7.02

**Notes:**

- (1) Gross utility revenues include all operating revenues, investment income, and tap fees.
- (2) Total operating expenses exclusive of depreciation.
- (3) Debt coverage declined in 2004 due to excessive and unusual rains during the summer resulting in lower than expected charges for services. In addition, the City took on \$12 million in water bond debt.
- (4) Beginning in 2011, gross utility revenue increased significantly due to increases in tap fees associated with new construction.
- (5) The final payment on the 1992 Water Resources and Power Development Authority Note occurred in 2012



**City of Louisville, Colorado  
Principal Employers  
Current Year and Nine Years Ago**

<b>2004</b>			
<b>Company</b>	<b>Estimated Number of Employees</b>	<b>Rank</b>	<b>Percentage of Total City Employment (1)</b>
Storage Technology Corporation	2,000	1	N/A
Kable Fulfillment Services	620	2	N/A
Electric Data Systems	600	3	N/A
Avista Hospital	550	4	N/A
Rock Bottom Restaurants	480	5	N/A
Boulder Valley School District	465	6	N/A
McKesson HBOC	350	7	N/A
Transfirst	350	8	N/A
City of Louisville	334	9	N/A
Raindance Communications	250	10	N/A

<b>2013</b>			
<b>Company</b>	<b>Estimated Number of Employees</b>	<b>Rank</b>	<b>Percentage of Total City Employment (2)</b>
Avista Hospital	641	1	5.0%
GHX	376	2	2.9%
Zayo	355	3	2.7%
Sierra Nevada Corp.	329	4	2.5%
Fresca Foods	327	5	2.5%
Balfour	319	6	2.5%
City of Louisville	275	7	2.1%
Medtronic	272	8	2.1%
Design Mechanical	194	9	1.5%
Gaiam	187	10	1.4%

**Notes:**

(1) Total City Employment not available for 2004.

(2) Represents full-time, part-time and temporary employees.

**City of Louisville, Colorado  
Demographic and Economic Statistics,  
Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Population (1)</b>	<b>Personal Income (thousands of dollars)</b>	<b>Per Capita Personal Income (2)</b>	<b>Median Age (1)</b>	<b>School Enrollment (3)</b>	<b>Unemployment Rate (4)</b>
2004	18,842	807,059	42,833	35.2	27,918	4.9
2005	18,695	874,047	46,753	35.5	27,924	4.5
2006	18,853	924,513	49,038	35.7	28,168	3.8
2007	18,972	974,933	51,388	35.9	28,471	3.4
2008	19,336	967,921	50,058	36.4	28,659	4.2
2009	19,480	936,131	48,056	36.7	28,861	6.4
2010	18,376	931,608	50,697	37.0	29,388	7.1
2011	19,000	985,967	51,893	36.2	29,661	6.2
2012	18,598	943,477	50,730	36.4	29,847	5.5
2013	19,026	1,021,668	53,772	36.9	30,254	5.1

**Notes:**

(1) Colorado Department of Local Affairs - State Demography Office. 2010 population reflects U.S. Census results. Population estimates are for the City of Louisville; Media Age estimates are for Boulder County.

(2) U.S. Department of Commerce, Bureau of Economic Analysis for Boulder Metropolitan Statistical Area.

(3) Boulder Valley School District Enrollment Count.

(4) Colorado Department of Labor and Employment for Boulder County.

**City of Louisville, Colorado**  
**Full-time City Government Employees by Function/Program**  
**Last Ten Fiscal Years**

	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Function/Program	Full-Time	Full-Time	Full-Time	Full-Time	Full-Time	Full-Time	Full-Time	Full-Time	Full-Time	Full-Time
General Government										
City Management	4	4	4	3	3	3	4	4	4	5
City Clerk	3	3	3	3	2	2	1	1	1	1
Human Resources	3	2	3	3	3	4	2	1	1	3
Finance and IT	9	9	9	8	9	11	11	10	10	9
Police	38	38	38	38	38	38	38	36	37	38
Public Works	42	42	42	42	45	45	43	41	44	41
Planning	8	8	8	8	9	9	8	9	9	9
Library	8	8	8	10	9	9	8	7	7	10
Recreation & Senior Services	15	14	14	13	11	11	9	9	10	9
Parks & Open Space	13	13	14	14	14	14	14	14	13	16
<b>Total Full-Time Employees</b>	<b>143</b>	<b>141</b>	<b>143</b>	<b>142</b>	<b>143</b>	<b>147</b>	<b>138</b>	<b>132</b>	<b>137</b>	<b>141</b>

**City of Louisville, Colorado**  
**Operating Indicators by Function/Program**  
**Last Ten Fiscal Years**

Function/Program	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Government										
Building permits issued	3,469	2,210	889	924	919	1,059	1,140	1,098	1,281	1,205
Building inspections concluded	6,343	5,332	4,117	3,857	4,249	4,119	4,333	4,996	7,412	7,212
Police										
Physical arrests	310	367	317	279	446	407	325	326	285	278
Parking violations	144	116	263	198	178	223	239	298	159	217
Traffic violations	1,431	1,737	1,798	1,166	1,399	1,915	2,121	1,510	1,716	1,350
Other public works										
Street sweeping - miles per year	6,585	5,095	4,834	5,761	3,842	2,063	2,517	2,687	2,733	2,234
Potholes repaired	1,059	786	512	4,725	1,384	1,500	2,654	1,615	1,614	1,434
Snow and Ice - miles per year cleared	14,288	13,749	17,841	16,090	7,060	19,336	11,254	17,299	10,191	15,262
Square feet of buildings to maintain	44,178	44,170	39,964	39,964	39,964	39,964	39,964	39,964	39,964	39,964
Parks and Recreation										
Attendance	214,860	203,745	196,743	209,615	230,832	236,832	236,945	236,923	268,385	270,980
Athletic field permits issued	11	9	8	23	25	21	20	20	26	26
Library										
Volumes in collection	54,000	64,000	64,000	72,178	80,785	82,236	85,050	105,451	95,213	88,885
Water										
New connections	8	17	5	6	18	20	16	72	107	40
Water main breaks	6	5	10	5	6	9	8	12	6	7
Average daily consumption	2,883,022	3,417,234	3,780,421	3,589,147	3,775,740	3,207,000	3,168,000	3,334,358	3,772,187	3,100,000
Peak daily consumption	6,743,000	8,704,000	8,319,000	8,305,000	9,518,000	6,792,000	7,025,000	7,522,000	8,159,000	7,500,000
Wastewater										
Average daily sewage treatment	1.859 MGD	1.859 MGD	1.859 MGD	1.815 MGD	1.7 MGD	1.794 MGD	1.773 MGD	1.670 MGD	1.80 MGD	1.70 MGD

**Source:** Internally tracked departmental statistics

**City of Louisville, Colorado**  
**Capital Asset Statistics by Function/Program**  
**Last Ten Fiscal Years**

Function/Program	Fiscal Year									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	15	17	16	17	17	17	17	17	17	17
Public Works										
Streets and Highways (miles)	86	86	86	86	86	87	87	87	87	87
Parks and recreation										
Parks Acreage	160	160	178	178.11	178.11	178.11	178.11	310	310	306
Acres of Open space owned by the City and jointly	2000	2000	2000	2000	2000	2000	2000	1768	1768	1755
Playgrounds	12	12	13	13	13	13	13	14	14	14
Baseball/softball diamonds	11	11	11	11	11	11	11	11	11	11
Soccer/football fields	13	13	13	14	14	14	14	14	14	11
Community centers	2	2	2	2	2	2	2	2	2	2
Water										
Water mains (miles) (1)	115	115	127	127	127	127	127	123	123	125
Fire hydrants	1000	1118								
Storage capacity	8 MGD	8 MGD	8 MGD	8 MGD	8 MGD	8 MGD	8 MGD	8 MGD	8.5 MGD	8.5 MGD
Treatment capacity	13 MGD	13 MGD	13 MGD	13 MGD	13 MGD	13 MGD	13 MGD	13 MGD	13 MGD	13 MGD
Wastewater										
Sanitary sewers (miles) (1)	87	87	87	87	87	87	91	89	89	89
Storm sewers (miles) (1)				51	51	51	51	40	40	40
Treatment capacity (thousand of gallons)	3.4 MGD	3.4 MGD	3.4 MGD	3.4 MGD	3.4 MGD	3.4 MGD	3.4 MGD	3.4 MGD	3.4 MGD	3.4 MGD

**Notes:**

(1) Beginning in 2011 amounts reported only include public miles

**Source:** Internally tracked departmental statistics

<b>LOCAL HIGHWAY FINANCE REPORT</b>		City or County: Louisville
		YEAR ENDING : December 2013
This Information From The Records Of City of Louisville:	Prepared By: Phone:	Graham Clark 503.355.4504

**DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE**

ITEM	A. Local Motor-Fuel Taxes	B. Local Motor-Vehicle Taxes	C. Receipts from State Highway-User Taxes	D. Receipts from Federal Highway Administration
1. Total receipts available				
2. Minus amount used for collection expenses				
3. Minus amount used for nonhighway purposes				
4. Minus amount used for mass transit				
5. Remainder used for highway purposes				

II. RECEIPTS FOR ROAD AND STREET PURPOSES		III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES	
ITEM	AMOUNT	ITEM	AMOUNT
<b>A. Receipts from local sources:</b>		<b>A. Local highway disbursements:</b>	
1. Local highway-user taxes		1. Capital outlay (from page 2)	3,304,408
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	1,108,881
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	60,872
2. General fund appropriations	1,833,662	b. Snow and ice removal	143,945
3. Other local imposts (from page 2)	2,279,444	c. Other	
4. Miscellaneous local receipts (from page 2)	161,250	d. Total (a. through c.)	204,817
5. Transfers from toll facilities		4. General administration & miscellaneous	173,332
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	149,105
a. Bonds - Original Issues		6. Total (1 through 5)	4,940,543
b. Bonds - Refunding Issues		<b>B. Debt service on local obligations:</b>	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	
7. Total (1 through 6)	4,274,356	b. Redemption	
<b>B. Private Contributions</b>	0	c. Total (a. + b.)	0
<b>C. Receipts from State government</b>		2. Notes:	
(from page 2)	666,187	a. Interest	
<b>D. Receipts from Federal Government</b>		b. Redemption	
(from page 2)	0	c. Total (a. + b.)	0
<b>E. Total receipts (A.7 + B + C + D)</b>	4,940,543	3. Total (1.c + 2.c)	0
		<b>C. Payments to State for highways</b>	
		<b>D. Payments to toll facilities</b>	
		<b>E. Total disbursements (A.6 + B.3 + C + D)</b>	4,940,543

**IV. LOCAL HIGHWAY DEBT STATUS**

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
<b>A. Bonds (Total)</b>				0
1. Bonds (Refunding Portion)				
<b>B. Notes (Total)</b>				0

**V. LOCAL ROAD AND STREET FUND BALANCE**

	A. Beginning Balance	B. Total Receipts	Total Disbursements	D. Ending Balance	E. Reconciliation
		4,940,543	4,940,543		0

Notes and Comments:

<b>LOCAL HIGHWAY FINANCE REPORT</b>		STATE: Colorado YEAR ENDING (mm/yy): December 2013	
<b>II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL</b>			
<b>ITEM</b>	<b>AMOUNT</b>	<b>ITEM</b>	<b>AMOUNT</b>
<b>A.3. Other local imposts:</b>		<b>A.4. Miscellaneous local receipts:</b>	
a. Property Taxes and Assessments	2,043,290	a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	161,250
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees	48,038	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	188,116	g. Other Misc. Receipts	
6. Total (1. through 5.)	236,154	h. Other	
c. Total (a. + b.)	2,279,444	i. Total (a. through h.)	161,250
	(Carry forward to page 1)		(Carry forward to page 1)
<b>ITEM</b>	<b>AMOUNT</b>	<b>ITEM</b>	<b>AMOUNT</b>
<b>C. Receipts from State Government</b>		<b>D. Receipts from Federal Government</b>	
1. Highway-user taxes	598,157	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	68,030	d. Federal Transit Admin	
d. Other (Specify) - DOLA Grant		e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	68,030	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	666,187	3. Total (1. + 2.g)	
			(Carry forward to page 1)
<b>III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL</b>			
	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
<b>A.1. Capital outlay:</b>			
a. Right-Of-Way Costs		0	0
b. Engineering Costs		1,325,082	1,325,082
c. Construction:			
(1). New Facilities		337,585	337,585
(2). Capacity Improvements		0	0
(3). System Preservation		1,337,316	1,337,316
(4). System Enhancement & Operation		304,425	304,425
(5). Total Construction (1) + (2) + (3) + (4)	0	1,979,326	1,979,326
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	3,304,408	3,304,408
			(Carry forward to page 1)
<b>Notes and Comments:</b>			